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North Indicted With Poindexter Over Iran Arms

WASHINGTON — A federal grand jury on Wednesday indicted President Ronald Reagan's former national security adviser, Rear Admiral John M. Poindexter, his assistant, Lieutenant Colonel Oliver L. North, and two arms dealers on conspiracy charges in the diversion of Iranian arms sales profits to the Nicaraguan rebels.

The 23-count indictment culminated a 14-month grand jury investigation into the arms-for-hostages deals with Iran and the diversion of funds to the U.S.-backed rebels, known as contras.

Indicted along with Admiral Poindexter and Colonel North were Richard V. Secord, a retired U.S. Air Force major general, and Albert Hakim, his Iranian-born business partner.

The grand jury said the four men "deceitfully and without legal authorization" organized, directed and concealed "a program to continue funding of and logistical and other support for military and paramilitary operations in Nicaragua by the contras" at a time U.S. law barred such action.

The indictment variously charged the defendants with conspiracy, theft of government property, obstruction of justice, false statements and the falsification, destruction and removal of documents.

The four defrauded the government "by deceitfully exploiting for their own purposes" U.S. arms sales to Iran, "rather than pursuing solely the specified governmental objectives of the initiative, including the release of Americans being held hostage in Lebanon," the grand jury said.

The indictments were issued after the independent counsel investigating the Iran-contra affair, Lawrence E. Walsh, and several of his top prosecutors made a final presentation to the grand jury.

Last week, Robert C. McFarlane, the former national security adviser, pleaded guilty to misdemeanor charges that he withheld information from Congress in 1985 and 1986 about covert Reagan administration efforts to help the contras during the ban on direct U.S. military aid.

One count said the defendants embezzled and converted to their own use proceeds generated by the weapons sales to Iran. It was reported in the indictment that the arms sales generated approximately \$30 million, while the U.S. government was paid only \$12.2 million for the weapons.

The indictment stated that the conspiracy began in late spring or early summer of 1985 and continued through at least December 1986.

The central conspiracy count charges that Admiral Poindexter, Colonel North, Mr. Secord and Mr. Hakim "together with others known and unknown" conspired to defraud the United States by obstructing lawful government functions.

The indictment said the conspiracy deprived the government "of the honest and faithful services of employees" by using the positions of Admiral Poindexter and Colonel North to generate funds for Mr. Secord and Mr. Hakim.

Colonel North was named in nine counts charging him with obstruction of Congress, making false statements, obstructing the presidential inquiry into the Iran-contra affair in November 1986, and concealing, falsifying or destroying official documents.

Admiral Poindexter was named in two counts of obstructing a congressional inquiry and two other counts of false statements.

The three counts in which all four were charged — conspiracy to defraud the United States and commit offenses against the government, theft of government property and wire fraud arising from the diversion of the arms sale proceeds — together carry maximum penalties of 25 years imprisonment.

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Mourners in Belfast comforting each other after an attack at the funeral of IRA guerrillas left three dead and at least 57 wounded.

3 Killed in Attack at IRA Funeral



A man who was later arrested in the grenade attack being cornered by those who attended the funeral.

Compiled by Our Staff From Dispatches

BELFAST — Three persons were killed and more than 50 wounded in a gun and grenade attack on mourners at the funeral of three IRA guerrillas here Wednesday, the authorities said.

The police said a man was arrested and taken to a hospital after the attack, which supporters of the Irish Republican Army blamed on Protestant extremists.

The police seized the man at the end of a chase over graves in the Milltown Roman Catholic cemetery during which he hurled grenades at pursuing mourners and fired until his gun jammed.

The man was beaten by mourners before the police rescued him, the authorities said.

A companion fled in a van parked on a nearby highway, witnesses said.

Thousands of mourners screamed and dived for cover when shots shattered the silence of the cemetery while the coffins of three IRA members killed by British soldiers in Gibraltar were being lowered into a single grave.

One of the wounded was in critical condition and four were seriously wounded, a hospital spokesman said. Most victims were shot or hit by shrapnel while scrambling for cover behind gravestones.

Sinn Fein, the legal political wing of the outlawed IRA, blamed Protestant paramilitary groups and accused Britain of collusion.

Within minutes of the attack, violence erupted across western and northern Belfast as youths went on the rampage, hijacking and setting fire to cars, buses and trucks, the police said. Extra security forces were rushed to the areas to try to keep the trouble from spreading.

No organization claimed responsibility for the attack.

The funeral for the three IRA guerrillas was held amid the tight-

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Sandinist Army In Honduras, Reagan Says

In Panama, Noriega Stifles Coup

CBS Reports U.S. Set to Send Troops

Compiled by Our Staff From Dispatches

PANAMA CITY — An coup attempt against General Manuel Antonio Noriega led by the Panama City police chief failed Wednesday, a spokesman for the military leader said, and the attempt touched off widespread anti-government demonstrations in the streets.

Hours after repeated government denials of an attempted coup, a spokesman for the Panamanian Defense Forces, Major Eduardo Lopez Grimaldo, said a group of army and police officers led "an attempt to seize and control the Defense Forces headquarters."

He identified the ringleader as Colonel Leonidas Macias, the Panama City police chief and a member of the Defense Forces general staff.

Another Noriega spokesman said later that the revolt was led by officers who had just returned from the United States.

The formal Defense Forces statement said troops loyal to General Noriega put down the uprising without bloodshed. It said Colonel Macias, three army majors and one army captain were "among those detained" but did not report the total number of military and police personnel who participated.

Nearby residents heard the sharp clatter of light arms fire inside the walled headquarters of the Panamanian Defense Forces starting at about 8:15 A.M. for at least half an hour.

General Noriega walked out of his headquarters four hours after the coup attempt, saying he still was in control and describing the shots as "kisses for the journalists."

Asked about his government's lack of cash needed to pay government workers because of a U.S. freeze on Panamanian assets, General Noriega said, "Tell the gringos to give it back. They stole it from us."

Washington has been exerting pressure to drive him from power. President Ronald Reagan said Tuesday the United States wants him "out of there." The economy has been hurt by U.S. sanctions.

Marlin Fitzwater, the White House spokesman, declined to comment on the trouble. "I don't have any information to confirm the report," he said. "We are aware there is turmoil in the city."

As reports of the shooting swept through the capital, tens of thousands of people poured into the streets, barricading all of the main avenues with garbage and rocks and setting afire several buildings and vehicles.

Protesters began celebrating the assumed downfall of the embattled general, the de facto leader of a government that has been unable

Compiled by Our Staff From Dispatches

WASHINGTON — President Ronald Reagan decided Wednesday to send up to 3,000 U.S. paratroopers to Honduras, according to a CBS News report, after he accused Nicaragua of sending troops across the Honduran border.

The White House chief of staff, Howard Baker, later denied the report.

"The president has made no decisions," Mr. Baker said. "He's identifying his options. We are keeping very close touch on the situation."

CBS reported that Mr. Reagan planned to send 2,000-3,000 troops to Honduras as a show of support for its government.

The CBS report said the U.S. troops would be used in a "non-combat role" and would not be stationed near the Nicaraguan border. It said Mr. Reagan decided to deploy the troops as a "show of support" for the Honduran government.

Marlin Fitzwater, the White House spokesman, said that "everything is being considered short of invasion" by the United States in reaction to an incursion of Nicaraguan troops attacking rebel positions in Honduras.

Mr. Reagan was considering a Honduran request for assistance to repel the incursion, Mr. Fitzwater said. He said the request for aid came from President Jose Azcona Hoyo of Honduras but declined to comment on what type of assistance had been sought.

Mr. Reagan, who was asked earlier whether he was considering any use of U.S. military forces, replied: "We've been in consultation with the Honduran government but I can't comment on anything."

In Managua, President Daniel Ortega Saavedra said Wednesday U.S. helicopters were aiding the guerrillas fighting Nicaraguan troops and warned that they risked being shot down.

In a nationally broadcast speech Mr. Ortega denied Nicaraguan troops had entered Honduras as the United States alleged but said there had been heavy fighting in the border region.

The Honduran ambassador to the United States, Roberto Martinez, said Nicaraguan troops "in the thousands" had entered Honduras. "Our reports are that it is somewhere between 1,600 and 3,000."

Mr. Martinez said his government hoped to avoid military action.

Nicaragua, which at first said there had been no invasion, later said it was "looking into the reports."

Some members of Congress questioned whether the administration was exaggerating the situation to help gain approval of emergency

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In Panama, General Manuel Antonio Noriega, the de facto ruler, waving on Wednesday after loyal troops quashed a coup attempt.

NEWS ANALYSIS

Illinois: Democratic Voters Confirm Race's Balkanization

Dole Created His Downfall

By Edward Walsh

WASHINGTON Post Service
OAK BROOK, Illinois — When Senator Bob Dole left here on Tuesday, at least he knew what to expect.

He was going to lose the Illinois primary to Vice President George Bush, giving the Kansas senator another in a devastating string of defeats that has effectively doomed his campaign for the Republican presidential nomination.

Just four weeks ago, Mr. Dole also thought he knew what to expect. On the Saturday before the New Hampshire primary, his pollster, Richard Wirthlin, told him he had an excellent chance to win the primary on Tuesday.

But Mr. Dole lost New Hampshire by nine points. His always shaky campaign immediately began to unravel.

Now, after Tuesday's defeat in Illinois, he is haunted by the question of how and why it had come to this.

Rival factions within his campaign organization are willing to assign one another large parts of blame and provide numerous answers about what went wrong for Mr. Dole. But the root cause was

Mr. Dole himself. His campaign has reflected the habits and instincts of a master legislative craftsman who has never been at home in the much different world of presidential politics.

Mr. Dole spoke to the voters in the language of a legislator, a work-it-out refrain that rarely defined what "it" was that he would work out as president.

His campaign, by the assessments of some of his aides as well as rivals who watched with glee, squandered not only huge amounts of money but an equally precious commodity — time. When the Bush campaign was putting in place state-by-state organizations, sticking to a strict budget and drafting strategy, the Dole campaign drifted through much of 1987 without strong leadership because Mr. Dole was unwilling to assign real authority to anyone else.

When Mr. Dole acted to correct this situation last fall, he turned predictably to an old friend and former Senate colleague, William E. Brock. But Mr. Brock, who has held a variety of high-ranking public offices and was secretary of la-

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U.S. Presidential Race

The Outcome in Illinois
With unofficial reports in from 99 percent of the state's 11,724 precincts, here are the results of the Tuesday primary:

REPUBLICANS		DEMOCRATS	
Bush	55%	Simon	43%
Dole	36	Jackson	31
Robertson	7	Dukakis	17
		Gore	5
		Gephardt	2

Delegates Won

Republicans		Needed to nominate: 1,139	
	Won Tuesday	Total So Far	
Bush	61	817	
Dole	21	183	
Robertson	0	36	
Democrats		Needed to nominate: 2,082	
Dukakis	0	566	
Jackson	37	520	
Gore	0	411	
Gephardt	0	224	
Simon	136	220	

Sources: AP, CBS

Divided Convention Looms

By Paul Taylor

WASHINGTON Post Service
WASHINGTON — The Democratic voters of Illinois have emphatically reinforced the only pattern to emerge from the turmoil of 29 Democratic caucuses and primaries held so far: backyard voting.

In giving most of the state's presidential nominating delegates to their home senator, Paul Simon, in Tuesday's primary, they only increased the prospect that no candidate will be able to win a majority of delegates by the close of this year's primary season.

This, in turn, increases the likelihood of a brokered convention, one in which negotiations among power blocs are needed to deliver a majority of the delegates to one candidate.

"What we are seeing for the first time I can recall is that voters don't seem to be treating these presidential primaries as a national choice," a Democratic consultant, Carter Eskew, said Tuesday night. "It still seems to be a local vote."

Five Democrats have now won at least one state contest. With 29 states having voted, the only Democrats who can even

come close to asserting that they have shown national appeal — Governor Michael S. Dukakis of Massachusetts and the Reverend Jesse L. Jackson — have each won only slightly more than a quarter of the popular vote, and slightly less than a quarter of the national convention delegates. By contrast, on the Republican side, Vice President George Bush has won roughly three-quarters of the delegates and about 57 percent of the popular vote.

"It's like everything starts all over each week," Brian Lunde, Mr. Simon's jubilant campaign manager, said Tuesday night. Until his victory Tuesday, Mr. Simon had not won anywhere and had basically suspended his national campaign. Now, he is getting ready for contests in Michigan, on March 26, and Wisconsin, on April 5.

The chief beneficiary of what some are calling the "balkanization" of the Democratic vote is Mr. Jackson, who thrives in a large field: The more white candidates there are to slice up the bulk of white vote, the better for him. "Do you think we can keep Simon alive

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Iraq Air Raids Damage Iran Refineries

By Youssef M. Ibrahim
New York Times Service

PARIS — Repeated Iraqi air raids have damaged Iran's oil refineries, pushing the country, which is one of the world's major oil producers, to import between 200,000 and 300,000 barrels a day of refined products such as jet fuel, gas oil and kerosene for home consumption, industry experts said.

They reported that Iran has commissioned a large tanker that will move 2 million barrels of gas and oil on Thursday from Rotterdam, with more on the way, because the Iraqi assaults in January and February against oil refineries in Tabriz and Tehran have significantly reduced refining capacity.

This contrasts sharply with the situation just a few weeks ago, when Iran imported half the present quantity. And it marks a sharp break with a time before the start of the Gulf War. In 1980, industry officials said, Iran exported as much as 550,000 barrels a day of refined products.

One well-informed Arab oil industry official suggested that Iran may be building what he called "a strategic reserve" at Bandar Abbas, where the new shipments of oil

products are going. He said that Iran might be "taking their precautions in the event a missile hits a target like a refinery."

[The UN Security Council demanded on Wednesday that Iran and Iraq halt their "war of the cities" and backed a move by Secretary General Javier Perez de Cuellar for new peace talks, Reuters reported from New York.]

The Iraqi raids have forced Iran to develop a complicated system for transporting its crude oil to customers in Western Europe.

The system depends on a round-the-clock tanker shuttle service that

carries oil from the beleaguered Kharg Island terminal — where commercial tankers refuse to go all the way to Rotterdam, a center of oil distribution and sales.

Oil industry experts say it is a costly but essential exercise because oil exports bring 95 percent of Iranian revenues.

"The latest calculations indicate that about 5 per cent of Iranian oil revenues, or the equivalent of 62 cents a barrel, are spent on maintaining the flow of Iranian oil exports," reported Petrostrategies, a specialized Paris oil newsletter.

The publication estimated the total bill for moving Iranian oil and importing Iranian refined products at a minimum of \$420 million this year, which is likely to climb by year-end if the war continues.



Reagan Says U.S. Won't Change Plan For Mideast

By David K. Shipler
New York Times Service

WASHINGTON — After an unsuccessful meeting with Prime Minister Yitzhak Shamir of Israel on the U.S. proposals for Arab-Israeli peace negotiations, President Ronald Reagan pledged Wednesday that the United States would pursue its initiative and warned that those who reject it will have to answer to their own people.

His pointed remarks, coupled with assurances of continued U.S. support for Israel, came after Mr. Shamir reportedly held firm to his opposition to most of the major ideas in the proposal.

This appeared to leave the U.S. plan with a bleak future. The proposal envisions an interlocking schedule of negotiations over the future of the Israeli-occupied West Bank and Gaza Strip. Mr. Shamir has tried to get several elements of the plan deleted, but to no avail.

"Let's be clear about several things," Mr. Reagan said in a departure ceremony in the East Room. "The United States will not slice this initiative apart and will not abandon it."

"And those who say no to the U.S. plan — and the prime minister has not used this word," Mr. Reagan continued, "need not answer to us. They'll need to answer to themselves and their people as to why they turned down a realistic and sensible plan to achieve negotiations. This is a time for all the parties to the conflict to make decisions for peace."

WORLD BRIEFS

Sea Casualties for China and Vietnam

BEIJING (UPI) — China and Vietnam each acknowledged Wednesday that they suffered casualties in the clash Monday off the contest Spratly Islands archipelago in the South China Sea.

A Chinese Foreign Ministry spokesman said at a weekly press brief in Beijing that an undetermined number of Chinese had been wounded in the fighting. The spokesman seemed to rule out any negotiations with Vietnam or any other nations with conflicting claims to the Spratly Islands.

Vietnam said that three of its ships were still afloat and that Chinese gunboats were preventing Vietnamese rescue vessels from reaching damaged vessels to give medical aid to wounded Vietnamese crewmen.

Both nations reiterated charges that the other had fired first in what was believed to be one of the first armed clashes over the islands.

No Deadline as Afghan Talks Resume

GENEVA (AP) — The UN-mediated Afghanistan peace talks resumed here Wednesday with no new target date for their completion. The Soviet Union renewed charges that the United States and Pakistan were blocking the progress of the pact and the promised withdrawal of Soviet troops.

Abdul Wakil, the Afghan foreign minister, said that Pakistan is delaying progress on a settlement, but he said Afghanistan saw no reason to suspend the talks. On Tuesday, the talks failed to meet the target March 15 set by the Soviet leader, Mikhail S. Gorbachev, for its conclusion.

In Moscow, Eduard A. Shevardnadze, the Soviet foreign minister, told the U.S. ambassador, Jack F. Matlock Jr., that the Kremlin wants the United States and Pakistan to stop "artificially procrastinating" on agreement, the Tass news agency said. The Soviets offered fresh assurances, however, that it would remove its estimated 115,000 troops in months after a settlement is signed.

8 Hungarian Dissidents Released

BUDAPEST (Reuters) — Eight leading dissidents detained to prevent them from taking part in Hungary's biggest independent demonstration since the 1956 uprising have been released, a police communiqué said Wednesday.

More than 10,000 people, chanting "democracy," paraded through Budapest in Tuesday's unofficial march, waving banners and applauding calls for reform and national independence.

The police communiqué said the eight dissidents were detained before the march on suspicion of preparing to disturb the peace and were released after a warning. One of the dissidents, Miklos Haraszti, a wife reported that he and Ottília Solt, a sociologist, had been released after a day of preventive detention. The press briefly mentioned the demonstration.

American Starts 4th Year as Hostage

BEIRUT (UPI) — A photograph of the daughter of Terry A. Anderson, the U.S. hostage in Lebanon held the longest, was published in Beirut newspaper on Wednesday, the third anniversary of the journalist's kidnapping.

The photo of Sulome Anderson, published on the front page of Nahar, was accompanied by a message by Mr. Anderson's wife, Maeline, and an appeal by her and her husband's friends to free him. Sulev Anderson was born two months after her father's abduction.

Mr. Anderson, 40, the chief Middle East correspondent of The Associated Press, was seized by gunmen in West Beirut on March 16, 1981. He opened a message from the heart to you my dearest one," said Mrs. Anderson's message to her husband. "Here is Sulome, our daughter, wish you a safe return home. She often asks about you."

For the Record

The United States and Soviet Union opened in Geneva on Wednesday the regular spring session of their Standing Consultative Commission, overseeing implementation of bilateral arms control agreements. (A)

TRAVEL UPDATE

U.S. Plans Tighter Airport Security

NEW YORK (NYT) — The Department of Transportation proposes Tuesday that the major U.S. airports, which handle 95 percent of the nation's passengers, be required to install card systems to limit access to restricted areas.

Under the proposed rule, which the agency hopes can be put into effect by year's end, computer-controlled cards would be issued to employees for such access. The plan would cover mechanics and ground-crew employees with access to planes. And it would cover flight crews who prefer not to use the main screening system for passengers.

The proposed rule is one of a series of airport security measures prompted by the crash of a Pacific Southwest Airlines jetliner on a flight from Los Angeles to San Francisco in December, killing all 43 people on board. The Federal Bureau of Investigation said it believed the crash was caused by a disgruntled former employee who took a handgun on board the aircraft by using his company identification badge to avoid going through airport metal detectors. Eight days after the crash, the department ordered airline and airport employees, who previously could use their company identification badges to bypass airport security checks, to undergo the same screening process as passengers.

French Seamen Plan Channel Strike

CALAIS, France (Reuters) — French ferry seamen protesting as work rules will stage an indefinite strike beginning Friday, sharp reducing English Channel crossings, union sources said Wednesday. Service between Marseille and Corsica will be affected, they said.

The strike will affect Channel services from Dunkirk, Le Havre, Dieppe and Calais, where service already has been hit by a six-week strike by seamen working for the British ferry operator P&O European Ferries Ltd. Separately, P&O dismissed 2,200 seamen striking at the Channel port of Dover, the company said Wednesday.

Three Dutch strikes have banned all alcoholic beverages on charters flights taking Dutch soccer fans to team matches, a spokesman for one of the airlines, Marnair, said Wednesday. (AF)

Swedish researchers have developed an electronic identity card for cars so that drivers can pay tolls without stopping, a company spokesman for Kista Industri AB said Wednesday. The plate on the rear window identifies the car by a microwave transmitter to a computer when the car passes a toll booth. (AP)

Syria, Once Importer, to Export Oil

NEW YORK TIMES SERVICE

DAMASCUS — Syria will become an exporter of crude oil this year, in a development that carries economic and strategic significance, oil industry experts say.

Only two years ago, Syria was a net importer of oil and other petroleum products.

Syrian officials did not respond to requests for actual figures on oil production, potential export capacity or anticipated revenues. But oil industry experts in Damascus said Syria might be able to export as much as 125,000 barrels a day of oil and refined crude products this year, raising revenues that could reach \$450 million.

Until last year, Syria depended in part on free oil from Iran, gifts that averaged 20,000 barrels a day in the last few years, and an additional 40,000 barrels a day that Iran sold to Syria for about \$2 a barrel lower than prevailing market prices.

"They could do away with the Iranian oil for now if they had to," one diplomat said of the Syrians.

According to diplomatic and industry experts, Syria still owes Iran from \$1 billion to \$1.5 billion in unpaid oil bills dating from 1984.

Syrian officials insist their relationship with the government of Ayatollah Ruhollah Khomeini in Iran is a strategic one that depends very little on the continuation of

the oil supplies. Foreign diplomats in Damascus said that in April 1982 Saudi Arabia offered to give Syria as much as 50,000 barrels a day of free oil to diminish its dependence on Iranian oil, but that the Syrians refused.

Nevertheless, the Syrian oil discoveries will ease the strain of payments to Iran and also strengthen Syria's hand in acting as mediator between Iran and the Arab Gulf countries, whose goodwill Syria courts to secure the continuation of foreign grants of \$500 million a year from Saudi Arabia.

Many industry experts say they believe that Syria's oil reserves could be much greater than previous estimates of 1.8 billion barrels.

carries oil from the beleaguered Kharg Island terminal — where commercial tankers refuse to go all the way to Rotterdam, a center of oil distribution and sales.

Oil industry experts say it is a costly but essential exercise because oil exports bring 95 percent of Iranian revenues.

"The latest calculations indicate that about 5 per cent of Iranian oil revenues, or the equivalent of 62 cents a barrel, are spent on maintaining the flow of Iranian oil exports," reported Petrostrategies, a specialized Paris oil newsletter.

The publication estimated the total bill for moving Iranian oil and importing Iranian refined products at a minimum of \$420 million this year, which is likely to climb by year-end if the war continues.

The disruption of Iran's refining business has been more permanent and devastating than the interruptions of its crude oil exports.

Oil experts say Iran is being forced to send out its own crude oil to other countries in Western Europe, Asia and the Middle East to be refined and returned. It is costly and risky. Ships carrying both outgoing crude and incoming products risk being bombed by Iraqis.

"Iran already has processing agreements covering approximately 300,000 barrels of crude oil a day," said the Middle East Economic Survey in its current issue, estimating that "approximately 70 to 75 percent of this volume is received back in the form of gas oil, jet fuel and kerosene."

Despite constant bombing of Kharg Island by the Iraqis, oil industry experts estimate that the huge oil terminal in the Gulf still handles 90 percent of Iran's crude oil exports.

Six Missiles Hit Tehran

Iraq intensified its war on the cities of Iran Wednesday, firing six more missiles into Tehran and bombing more than a dozen towns in western Iran, UPI reported from Manama, Bahrain.

Iran said that at least 52 people were killed in the attacks. It retaliated by firing five missiles into Baghdad and shelling and bombing several Iraqi cities along the border battlefield.

On West Bank, a Gulf of Hatred Steadily Widens

By Alan Cowell
New York Times Service

KARNEI SHOMRON, Israeli-Occupied West Bank — Meir Indor is a Jewish settler from the movement called Gush Emunim, or Bloc of the Faithful, and he says he does not mind if the 70,000 Jews who have settled in the West Bank have built what he called a "bad image" among Palestinians.

"It's good to have this bad image," he said Tuesday as he took reporters on a tour of Jewish settlements on the hillsides, mostly to display his cause and his resolve to pursue it. "That way, the Arabs are frightened of us."

"If they weren't frightened of us," he said, as if explaining the obvious, "they'd kill us."

Such utterances tend to chill more moderate Israelis, drawn to the West Bank settlements by considerations such as low costs and fresh air rather than by a sense of apocalyptic confrontation.

But in the fourth month of a Palestinian uprising, the settlers are becoming increasingly embroiled in the conflict, and the sense of separate and competing destinies has become even deeper.

Over the past 24 hours, Palestinians accused Jewish settlers of attacking Arab homes and cars in the West Bank towns of Ramallah and Hebron. In turn, settlers accused Palestinians of provoking them.

The newspaper Yediot Ahronot reported that residents of a Jewish settlement near Hebron set fire to Palestinian cars after Palestinians ambushed settlers with rocks.

In this war within the war between protesters and the Israeli Army, the personalized hatreds seem sometimes to ignite more generalized conflict.

At a Palestinian town near this settlement west of Nablus, a resident threw a firebomb at a settler's car and the victim — a large man with a pistol tucked into his

waistband — took some delight in showing friends and reporters the scars to both his car and his fingers.

The incident provoked a confrontation Tuesday that locked an army patrol into a contest of several hours with Palestinians who sought to close the road called the Trans-Samaria Highway.

"Taking the law into your own hands is very, very dangerous," Major General Amram Mitzna, the officer in charge of the West Bank, told a meeting of 400 settlers last month at a settlement south of Jerusalem. "It is the beginning of anarchy."

The conflict is fought with uneven, though potentially equal, weapons. Many settlers travel with army-issue M-16 assault rifles or Uz submachine guns. What they fear from Palestinian villages are rocks that could shatter windshields and skulls, or firebombs.

But beyond that, the violence reflects a more insidious war, fought with such unlikely armories as concrete and olive trees, with minarets and swimming pools as the totems of title and possession of disputed land.

Mr. Indor's bus tour with journalists began in Jerusalem and wound north along strategic highways. It seemed intended to avoid close contact with Palestinian villages, so the reality that was presented was this: neat homes with red-tiled roofs, and ordered streets where young Jewish mothers pushed offspring in strollers safe behind the wire.

But that was only one of the realities. Driving back to Jerusalem later in the day, on other roads, a reporter passed the stores of Nablus, closed by a general strike ordered by the clandestine leadership of the Palestinian revolt.

On the hillsides, for each ordered Israeli settlement, there was a less ordered Palestinian village. For each factory built around a settlement as the source of an economic future, there were goats and groves as evidence of an economic past and present. For each mother pushing a child in a stroller in a settlement, there was a mother in a village resigned to the fact that an older child was throwing rocks at soldiers with intention to do harm, and challenging them to do harm in return to see who was stronger.



Well-armed Israeli West Bank settlers confer in Nablus.

economic future, there were goats and groves as evidence of an economic past and present. For each mother pushing a child in a stroller in a settlement, there was a mother in a village resigned to the fact that an older child was throwing rocks at soldiers with intention to do harm, and challenging them to do harm in return to see who was stronger.

As elsewhere in these lands, few acts seemed free of symbolism. "This," said Mr. Indor, gesturing at a newly planted olive tree guarded by an oil drum, "is a political tree."

The reason was that Palestinians and Israelis both believe that the cultivation may establish title to the land, just as the concrete of factories and settlements establishes a permanence that denies talk by some Israeli politicians of peace bought with territorial concessions.

"I don't think the issue is territory for peace," said Haim Spring, 50, a settler from Chicago, living in Karnei Shomron. "The issue is not this hill, that hill, in return for something. The issue is the survival of the state of Israel."

rather pinpointing penalties solely for persons engaged in hostile activity."

The reason for this, some Palestinian activists argued, is that the uprising has broken down Israel's network of informers and collaborators, so that, as one Palestinian editor put it, "they don't know who to strike at individually."

Palestinian accounts Wednesday spoke of renewed clashes and protests in the Tulkarem region of the West Bank, and in the Gaza Strip refugee camps of Khan Yunis and Nuseirat. Further unrest was reported from Dheisheh camp near Bethlehem and in Jalazoun camp and Al-Jebb village, located near Ramallah, just north of Jerusalem.

Additionally, the second day of a general strike ordered by the organizers of the revolt left stores shuttered and streets deserted in the West Bank. In Gaza, witnesses said, far fewer Palestinian workers

FAMILY CAMPAGNA OLIVEROS
FAMILY OLIVEROS RUSSIAN
FAMILY FALLACE OLIVEROS

Join in grief with the Menaker Garzon family in the city of Caracas Venezuela for the sad demise of their young child

ISRAEL MORDEJAI
MENAKER GARZON
Z'L

We express our deepest condolences to his parents, Mr./Mrs. Tzvi and Miriam Menaker, to his brothers' family and friends and we pray for peace for the innocent young departed soul.

Israel Widens Tactics to Stop Palestinian Uprising

NEW YORK TIMES SERVICE

JERUSALEM — Israeli authorities said Wednesday that they had broadened tactics to quell Palestinian unrest in the occupied West Bank and Gaza Strip.

Four more Palestinians were reported killed, however, in violent demonstrations, despite measures supposed to undercut what Palestinians have called an uprising.

Israeli authorities severed international telephone links with the occupied West Bank and Gaza Strip Wednesday as part of the shift in tactics to confront the revolt. The action coincided with one of the worst days of bloodletting in the territories for weeks.

Since protest and violence began over three months ago, the Israeli Army has used a series of methods, ranging from beatings with wooden clubs to firing rubber bullets and live ammunition in an effort to stem the protests.

Additionally, several thousand demonstrators have been arrested and more than 200 purported activists were detained without charge or trial under a system called administrative detention.

None of those tactics has thus far

quelled the violence and protest, which continued Wednesday with the second day of a general strike in the occupied territories and reports of four more Palestinian deaths.

The Israeli Army acknowledged two of the killings and said two others were under investigation. The deaths, if confirmed, would bring the toll since Dec. 9 to at least 92.

As if conceding the seeming inability of formal military tactics to contain the unrest, Defense Minister Yitzhak Rabin told high-school students in Jerusalem on Wednesday: "Today and in recent weeks, we have been trying to increasingly integrate more and more economic methods in addition to the administrative methods, in accordance with the law, and the use of force, in accordance with the law."

Those methods include a ban on travel between the West Bank and the Gaza Strip, economic restric-

tions designed to prevent outside supporters of the revolt from sending funds to the Palestinians, a halt on fuel supplies to the West Bank and an curfew from 10 P.M. to 3 A.M. in the Gaza Strip.

Additionally, Palestinian exporters say they are being ordered to produce evidence that they have paid taxes before they are allowed to take produce to markets in Jordan.

The Israeli radio quoted Mr. Rabin as saying the idea was to "integrate methods of economic punishment in addition to the other means of punishment in order to try to influence the silent majority to use its influence to restrain radical elements."

In the process, the Jerusalem Post said, the Israeli government had jettisoned "a fundamental principle of its treatment of the Palestinian population: not employing collective punishment, but

rather pinpointing penalties solely for persons engaged in hostile activity."

The reason for this, some Palestinian activists argued, is that the uprising has broken down Israel's network of informers and collaborators, so that, as one Palestinian editor put it, "they don't know who to strike at individually."

Palestinian accounts Wednesday spoke of renewed clashes and protests in the Tulkarem region of the West Bank, and in the Gaza Strip refugee camps of Khan Yunis and Nuseirat. Further unrest was reported from Dheisheh camp near Bethlehem and in Jalazoun camp and Al-Jebb village, located near Ramallah, just north of Jerusalem.

Additionally, the second day of a general strike ordered by the organizers of the revolt left stores shuttered and streets deserted in the West Bank. In Gaza, witnesses said, far fewer Palestinian workers

Soviet Paper Reports Tatar Unrest in Uzbekistan

MOSCOW — Crimean Tatars pressing to return to their traditional homeland are causing unrest in the republic of Uzbekistan, highlighting ethnic problems facing the Kremlin, according to a Soviet newspaper.

The report in the Communist Party newspaper of Uzbekistan, Pravda Vostoka, said that "extremists" were provoking disturbances in the Central Asian republic and that "noticeable material losses" had resulted. It did not mention any casualties.

The report was part of an article in the March 11 edition of Pravda Vostoka on the writ up of Uzbek commission studying the demands

of Tatars to return to their homeland on the Crimean peninsula.

The Kremlin is also grappling with ethnic unrest involving Azerbaijanis and Armenians over the redrawing of regional boundaries.

Mikhail S. Gorbachev, the Soviet leader, has promised that two Armenian envoys will study the problem, and he met Armenian and Azerbaijani leaders last week.

Pravda Vostoka, which reached Moscow on Wednesday, indicated that some Tatars would be allowed to return to the Crimea. The paper said logistics of the move were being studied, but gave no indication of when it would take place.

"Some extremist-minded people are trying to stir up the situation to push the most impatient to action,

violations of public order," the newspaper said.

"Some people calling themselves representatives of Crimean Tatars are trying to organize meetings, marches, to prove that this is the only possible way to accelerate solving of the issue," the article continued.

"All this is aggravating the situation and may lead to unpredictable consequences," it warned.

Tatar activists are seeking the restoration of their autonomous republic, where Tatars lived for centuries until Stalin deported them to Siberia and Central Asia in 1944 on charges of collaborating with the Nazis.

A group of Tatars demonstrated in Moscow in July, demanding permission to return to their homeland. A national commission then was set up to examine the demands.

The Pravda Vostoka article said that a Uzbek branch of the commission had met the national panel in Moscow and indicated that it was making progress.

The panel, the report said, suggested that people should first be moved to areas where there was a "lack of labor resources."

Last week, Pravda Vostoka reported that the deputy chief of the Crimean government had told the Uzbek commission that Tatar families would be allowed to return to the Crimea "when conditions are ripe."

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"THANK YOU, MR. MCGOWAN."

"UNFORTUNATELY, IT'S RACIST."

"UM... ARE YOU SURE? MY PARENTS HELPED ME."

—ALAN COWELL

U.S. Scientists Agree Man Is to Blame for Most Ozone Loss

By Philip Shabecoff
New York Times Service

WASHINGTON — Government and academic scientists who helped prepare the federal government's most authoritative ozone study to date say there is now, for the first time, a scientific consensus that man-made chemicals are responsible for much of the ozone loss.

They also said that the new findings showed that the health threat from ultraviolet radiation piercing the thinning ozone shield is a serious one and that the ozone depletion would continue.

They said the required quick international ratification of a treaty reached by 31 nations last September to restrain the use of chlorofluorocarbons and other chemicals that are destroying ozone in the upper atmosphere.

Dr. Robert T. Watson, a National Aeronautics and Space Administration scientist who was chairman of the panel of scientists that prepared the report, said on Tuesday that its findings suggested that more "draconian" measures than the

treaty may be needed to stabilize the protective ozone shield.

The federal scientists reported Tuesday that atmospheric ozone over the Northern Hemisphere had declined significantly over the last two decades.

The report reaches a conclusion similar to another study earlier this year but adds important new details on the extent of worldwide depletion of the protective ozone shield.

The study also found that loss of ozone in the Southern Hemisphere, which is most acute in springtime over Antarctica, was spreading into wider areas and that ozone levels were reduced throughout the year.

Ozone in the upper atmosphere absorbs ultraviolet rays from the sun that can cause skin cancer and eye problems. Scientists estimate that for every 1 percent decline in atmospheric ozone, 2 percent more ultraviolet radiation reaches the earth's surface.

The study was prepared by more than 100 scientists who analyzed atmospheric

measurements from both satellites and ground stations. They found that, after discounting for natural causes of depletion, such as decreased solar activity, ozone in the range of 30 degrees to 60 degrees north latitude decreased 1.7 to 3 percent from 1969 to 1986.

This area includes most of the heavily populated regions of the United States and Canada, Western Europe, the Soviet Union, China and Japan.

The ozone loss was found to be as much as 6.2 percent in the wintertime at some latitudes, more severe than had been predicted by scientific models.

An analysis published earlier this year by scientists at the University of Illinois found that global ozone levels dropped by 5 percent from 1979 to 1986. But scientists at a news conference on Tuesday said that they had made new, more accurate corrections of raw data from satellite instruments, accounting for much of the difference.

Dr. Kenneth Bowman, an author of

That theory has now gained wide acceptance as correct.

The protocol adopted in September in Montreal would freeze the production and use of chlorofluorocarbons at 1986 levels starting in 1989 and roll back production by as much as 50 percent by 1999.

The U.S. Senate voted on Monday, 83 to 0, to approve ratification of the international agreement and President Ronald Reagan praised the vote. But the only other nation to ratify the protocol so far is Mexico.

Mr. Rowland noted, however, that because chlorofluorocarbons remain in the atmosphere for many decades, the destruction of ozone will continue after the freeze as more of the chemicals are used and released into the atmosphere.

"My own view is that we are seeing severe damage now and we know it is going to get worse because more chlorine is on its way" into the atmosphere, Mr. Rowland said.

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Dr. Kenneth Bowman, an author of

Soviets Cut Economic Aid to Cuba, Papers Show

By Clyde H. Farnsworth
New York Times Service

WASHINGTON — The Soviet Union is reducing its support for the Cuban economy, according to documents of the Cuban National Bank obtained by a human rights group.

For nearly three decades, the Soviet Union, which generally accounts for 80 percent of Cuba's international trade, has been Havana's principal supplier of oil, food, machinery, spare parts, chemicals and other vital materials.

Until last year, Soviet trade with Cuba was increasing by about 10 percent a year.

But the documents, which were made public Tuesday in the form of a Cuban National Bank quarterly economic report, showed that imports from the Soviet Union in the first nine months of 1987 declined for the first time in nearly three decades.

The papers were submitted Jan. 18 by Cuban officials at a meeting in Paris called by Cuba to try to reschedule its \$2.4 billion debt to Japan and Western governments — chiefly Britain, France, Spain and West Germany.

The documents were obtained by Frank Calzon, a Cuban-born Washington representative of Freedom House, a human rights organization based in New York City. A State Department spokesman said he had "no reason to believe the documents were not authentic."

Angel Pino, press attaché at the Cuban Interests Section of the Czechoslovak Embassy in Washington, did not return a phone call.

Soviet subsidies to Cuba, mainly through the supply of low-cost oil and purchases of Cuban sugar at inflated prices, have been estimated at \$4 billion to \$5 billion a year.

The Cuban National Bank document showed that imports from the Soviet Union in the first nine months of last year declined to \$3.979 billion from \$4.003 billion in the same period of 1986. The amounts are in Cuban pesos, which the bank document says are equivalent to U.S. dollars on a one-for-one basis.

The report also provides a stark picture of a deteriorating Cuban economy. Last year was "one of the worst years the country has had to face," it said, showing that economic activity had contracted by 3.5 percent while investment decreased by 20 percent.

Cuba owes an additional \$3.1 billion to Western banks and suppliers, giving it one of the largest external debts per capita in the world, \$2,000 per person.

The disclosure that imports from the Soviet Union are in decline was seen by some experts as evidence of important changes in Cuban-Soviet relations.

"It shows that the Soviets are starting to become conscious of the costs of subsidizing the Cuban economy," said Manuel Antonio Sánchez Pérez, a former Cuban economic official who defected in 1985 and now follows the Cuban economic scene from Madrid, where he sells computers.

Both Mr. Sánchez Pérez and a Reagan administration official, who asked not to be identified, suggested that Moscow may be signaling displeasure because the economic policies of Fidel Castro seem at variance with the perestroika, or economic restructuring, of Mikhail S. Gorbachev, the Soviet leader.

Mr. Castro has adopted "rectification," a return to straight ideology and central planning.

N.Y. Bishop to Visit Cuba

Cardinal John J. O'Connor of New York has accepted an invitation to visit Cuba. The Associated Press quoted a New York archdiocese spokesman as saying Wednesday. Although no date has been set, the spokesman said the cardinal was invited to celebrate the 200th anniversary of the birth of Felix Varela, a Cuban priest who served in New York from 1823 to 1853.



THRILL OF VICTORY — Senator Paul Simon and his wife, Jeanne, greeted supporters in Illinois after he won his home state primary. "This is a new beginning for the Paul Simon campaign," he said.

Botha Comes Under Heavy Pressure To Spare Lives of 'Sharpeville Six'

By John D. Battersby
New York Times Service

JOHANNESBURG — President Pieter W. Botha was under intense domestic and international pressure on Wednesday to spare the lives of six blacks scheduled to be hanged on Friday for the mob murder of a black township councillor in civil unrest in 1984.

But hopes for a stay of execution by legal representatives of the six, seeking an order for a stay of execution, was postponed in the Pretoria Supreme Court on Wednesday until Thursday morning.

The court heard charges that the police assaulted and coerced a state witness into giving false evidence against the six.

In a 40-minute meeting on Wednesday night with the Anglican archbishop of Johannesburg, Desmond M. Tutu, Mr. Botha, who is the only person who can stop the hangings, said he would not intervene unless the court found that there were extenuating circumstances or that new facts relating to the case had emerged.

Mr. Botha told Archbishop Tutu that he was not willing to jeopardize the independence of the judiciary. "I will only act according to convention," Mr. Botha told the archbishop, according to a presidential spokesman.

Archbishop Tutu later canceled his first-ever meeting with the head of the Dutch Reformed Church, the main Afrikaans-speaking church, which was scheduled on Thursday. He announced that in-

stead of the meeting, he would hold a vigil in St. Albans Anglican Cathedral in Pretoria to pray for the Sharpeville Six.

Prakash Diar, the legal representative of the six, said after visiting them in Pretoria Central Prison on Wednesday that "they are very simple people who do not see themselves as political martyrs."

"They said they are very upset about so-called legal justice and condemned it as something evil," he said.

He said the only woman among the six, Theresa Ramashamola, who is a Roman Catholic who lives with her mother, saw a religious parallel in her pending execution. "She said, 'Jesus died on the cross for other's sins, and I have resigned myself to the same fate,'" Mr. Diar said.

The state-run television reported Tuesday night that Mr. Botha had rejected final pleas for clemency.

Mr. Diar said he was one of hundreds of black counselors, policemen and perceived collaborators killed by militant crowds in two years of sustained civil unrest from 1984 to 1986.

The six scheduled to hang are Mojalefa Sefatsa, 32; Reid Mokoena, 24; Oupa Dintiso, 32; Duma Khuzwalo, 28; Francis Mokegi, 30, and Miss Ramashamola, 26.

mini, deputy mayor of the black township complex of Lekoa southeast of Johannesburg, which includes Sharpeville.

The crowd stoned and hacked Mr. Diar and set his body on fire shortly after the outbreak of protests against rent increases for township residents in September 1984.

An 11th-hour court application by legal representatives of the six, seeking an order for a stay of execution, was postponed in the Pretoria Supreme Court on Wednesday until Thursday morning.

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THE HUSTINGS

Byrne Loses Chicago Comeback Bid In Primary for Circuit Court Position

CHICAGO (Combined Dispatches) — Former Mayor Jane Byrne's bid for a political comeback ended in defeat in Illinois' primary election Tuesday. She was beaten by Aurelia M. Pucinski in the closely watched Democratic primary for clerk of the Cook County Circuit Court.

The campaign for the little-known position had at times obscured the presidential primary. The job, to maintain the records of the circuit court system, is held by Morgan Finley, who is under indictment for bribery and racketeering and is not seeking re-election.

Mrs. Byrne conceded defeat at a news conference shortly after the polls closed. She has not won an election since her successful campaign for mayor in 1979, losing two subsequent campaigns for re-election. She said she would probably not be a candidate again.

Edward R. Vrdolyak, who switched parties last year after heading the Cook County Democratic organization and losing a bid for the Democratic mayoral nomination, ran unopposed in the Republican primary for the clerk's job. (NYT, AP)

Michel Easily Beats Back Challenge

CHICAGO (AP) — Representative Robert H. Michel, the House minority leader, easily overcame his first Republican challenge in 32 years in the Illinois primary Tuesday.

Mr. Michel's victory over James E. Unsicker, the Tazewell County board chairman, could set the stage for a November rematch of the 1982 contest that almost cost him his 18th District seat. His Democratic rival, G. Douglas Stephens, an attorney, beat an unemployed opponent, Justin Z. West.

U.S. Sets Inquiry on Testing Of Continental Air's Pilots

The Associated Press

DENVER — The Federal Aviation Administration is investigating the pilot testing procedures of Continental Airlines after comments by a pilot last week at a hearing concerning a crash last year that killed 28 people, officials said.

Daniel Beaudette, manager of the agency's air transportation division, said Tuesday that investigation was initiated by one pilot's report that he made deliberate mistakes in wing settings to test pilot response.

"I can't see how they could safely do that in passenger-carrying operations," Mr. Beaudette said. Federal regulations prohibit pilot training on flights that carry passengers. The inquiry follows testimony last week by Captain Kenneth Watson of Continental before a National Transportation Safety Board hearing into the Nov. 15 fatal crash of a Continental DC-9 as it was taking off from Denver.

On a flight last October, Mr. Watson said he made incorrect adjustments to an aircraft before takeoff to test the pilot, Frank

Mecham Aide Testifies On State Appointments

The Associated Press

PHOENIX, Arizona — Governor Evan Mecham's former appointments secretary testified at his impeachment trial Wednesday that campaign contributions were a criteria, but not a major one, in making appointments to state boards and commissions.

The state House of Representatives impeached Mr. Mecham on Feb. 5, and accused him of, among other things, concealing a \$350,000 campaign loan and misusing \$80,000 from the governor's protocol fund by loaning it to the contributor's auto dealership.

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U.S. Urban Schools Lag Despite National Gains

New York Times Service

NEW YORK — Despite rising test scores and other evidence of better academic performance in the United States, the school improvement movement of the last five years has for all practical purposes "bypassed" institutions in urban areas, the trustees of one of the most influential U.S. educational foundations have charged.

In its report released Tuesday, the Carnegie Foundation for the Advancement of Teaching painted a bleak picture of schools in big cities. The systems are marked by stifling bureaucracies, unmotivated students and crumbling buildings and classrooms, the report said, and the schools are "little more than human storerooms to keep young people off the streets."

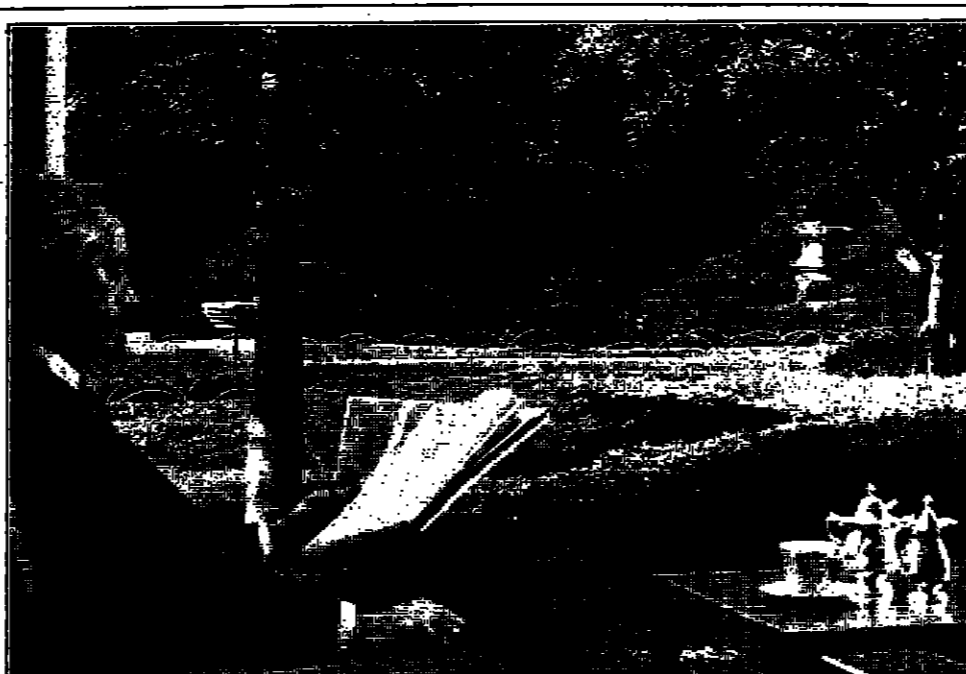
"No other crisis — a flood, a health epidemic, a garbage strike or even snow removal — would be as calmly accepted without full-scale emergency intervention," the report said.

"The harsh truth is that the reform movement has largely bypassed our most deeply troubled schools," the trustees added.

The report reflects a growing concern among politicians, business executives and others about the difficulties that urban schools are having in turning out graduates with skills suited to future jobs.

The report, "An Imperiled Generation: Saving Urban Schools," urged several changes, including these:

- Principals and teachers should be given more autonomy in running their schools and classrooms.
- To promote accountability, state or local school officials should issue "school report cards" on a regular basis, with individual schools being graded on criteria like teaching innovations, dropout rate reduction and the effectiveness of student counseling.
- If schools receive low grades, "evaluation teams" of parents, teachers, administrators and college family members should be appointed to devise a recovery plan.



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Herald Tribune

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Herald Tribune

For an Arms Embargo

By bombarding each other's capitals with missiles, Iran and Iraq have reached a new nadir in their savage seven-year-old war.

One Less Republican

"They're all Reagan Republicans," said Jack Kemp as he withdrew last week from the Republican presidential race.

Yes to Youth Service

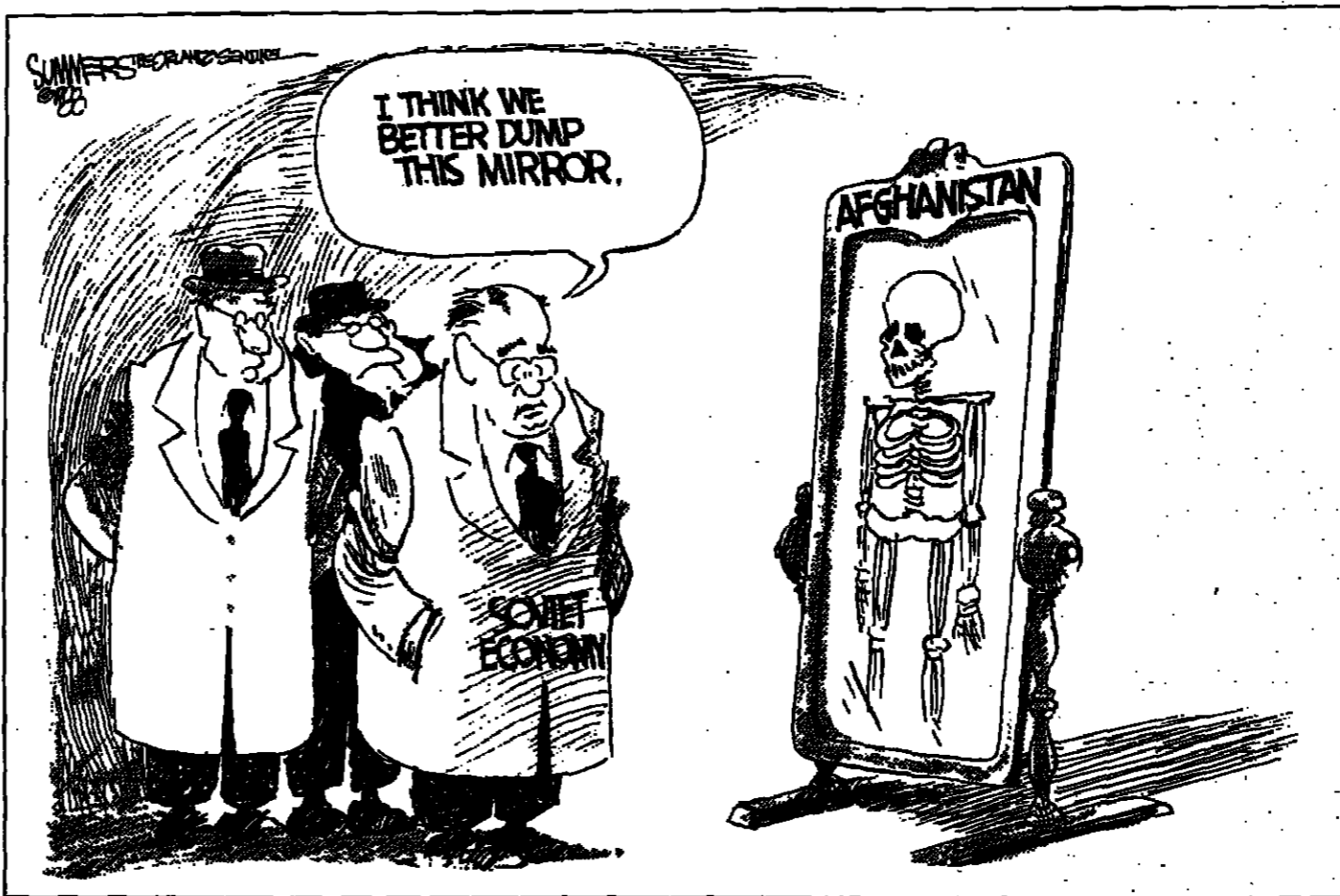
Despite the virtual certainty of a presidential veto, national youth service has become a hardy legislative perennial in Washington.

Other Comment

How Strong Is Gorbachev? Mikhail S. Gorbachev started his fourth year as general secretary of the Communist Party last week.

INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1988-1989
KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
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NATO Could Do With a Reappraisal of Challenges

BRUSSELS — Has NATO got its eye on the wrong ball? Rethinking security strategy is currently the hot topic, but are not the allies still focusing on yesterday's issues?

Ulster: Now for Fair Employment Without Jobs

LONDON — In the dying days of James Callaghan's Labor government here, a junior minister summoned me to his Whitehall office and threatened to sue because I had told truth.

These Days the Men at Farrell's Bar Don't Vote

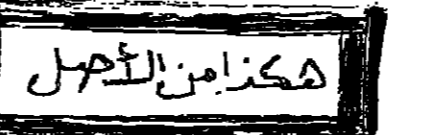
NEW YORK — The end of the Reagan era is still many months away, but already there are warning signs among ordinary people that we are moving deeper into a "big sleep" period in American politics.

The French Campaign Differently

PARIS — Some French are complaining again at the "Americanization" of their campaign for president. They mean a focus on personality, with nothing much clear-cut in the way of programs or issues.

100, 75 AND 50 YEARS AGO

1838: St. Patrick's Day NEW YORK — Mayor Hewitt, of New York, says that despite the resolution of the Board of Aldermen, he will not hoist the Irish flag on the City Hall on St. Patrick's Day.



OPINION

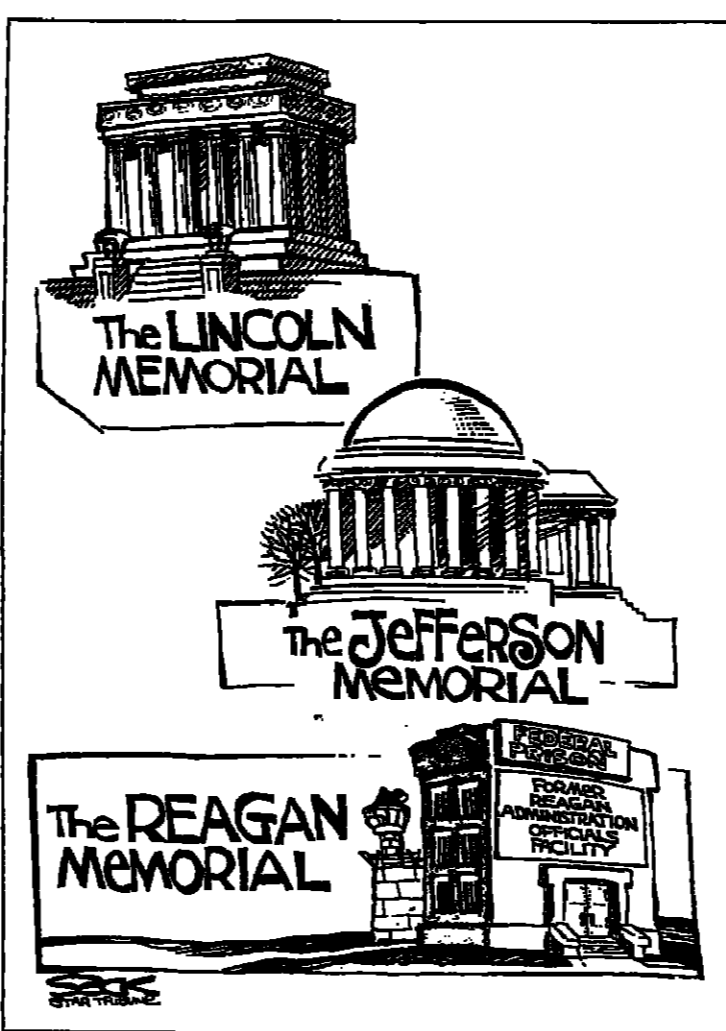
Israel's Jews Have No Place Else to Go

By George F. Will

WASHINGTON—This year, which brings the 40th anniversary of the founding of Israel and the 50th anniversary of Munich, finds Israel suddenly cast in the role of Czechoslovakia at a proposed international conference.

sort of guarantees that South Vietnam had. Saigon is now Ho Chi Minh City, and Israel will be forgiven for not trusting American "guarantees" to prevent Tel Aviv from becoming Arafatville.

There can be no meaningful guarantee against infiltration and shelling. If the 1973 attempt to destroy Israel by all-out assault had begun on the 1957 borders (which were armistice lines set by the first attempt to destroy Israel) and the attacks had advanced as far as they did in 1973, they would have reached the Mediterranean.



Getting Out of Afghanistan Hasn't Always Been Easy

By Richard M. Weintraub

PESHAWAR, Pakistan — "We will leave Afghanistan, but we will not leave clinging to the skirts of helicopters lifting off the roof of our embassy," a Soviet official was quoted as saying a few months ago.

among the rebels and it is perfectly wonderful how they hang together. More than a few Russians may be wondering about the glue that has held the fractious Afghan mujahidin, or guerrillas, together long enough to make the Soviet military presence uncomfortable.

The Palestinians Once Had a Land and Still Have Rights

By Nadia Hijab

LONDON — At first, the Palestinian was blurred to Western eyes. Zionists spoke of Palestine as "a land without a people for a people without a land."

Only in recent years has Israeli officialdom admitted the existence of the Palestinians, although with amazing qualifications. ("The Arabs share the blame for the plight of the Palestinians.")

words of the Israeli settlers, "greater right?" There is implicit recognition that it does not in the insistence that Palestinians recognize "Israel's right to exist."

LETTER TO THE EDITOR

Jobs From Solar Power

Michael Richardson's front-page report from Bangkok (March 9) on the flight from impoverished rural zones into Asian mega-cities points up the urgent need to create new employment in Third World countries.

processing industries are located in rural, often remote areas where no grid electricity exists. Such industries are ideally suited to the use of evacuated tube solar collectors, which have the ability to heat the huge quantities of water used for food processing every day, without the need to cut down vast forests for wood fuel.



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Slick Campaign Boosts Chirac's Election Outlook

By James M. Markham
New York Times Service

BORDEAUX — The big convention hall throbs to the driving rhythms of a rock song called "The Final Countdown." Bathed in spotlights, a long white panel proclaims Prime Minister Jacques Chirac's virtues: "Courage, Ardor, Will." And: "He brings people together, he listens, he builds."

The wooden panel magically slides apart, revealing a score of cabinet ministers and officials of the Rally for the Republic, the Gaullist party led by Mr. Chirac, perched on folding chairs on a stage. As 12,000 people applaud and shout, Mr. Chirac emerges like the host of a television quiz show through an arch.

The candidate raises his arms in the prizefighter's victory wave. The crowd explodes. Lights reel as in a discotheque. Giant likenesses of Mr. Chirac glow. His multimedia electoral apotheosis, which will be replayed across France for the next six weeks, has begun.

In France's two-stage presidential election — a preliminary round April 24 and a runoff May 8 — Mr. Chirac seemed to be an underdog only weeks ago. Most opinion polls showed him trailing Raymond Barre, a former prime minister, in the contest to determine which rightist politician would face the Socialist candidate in the second round.

But Mr. Barre's campaign has seemingly lapsed into the doldrums, while Mr. Chirac's

slickly organized and well-financed operation has taken off. Most polls now find the prime minister nudging ahead of the plodding Mr. Barre, who lacks a solid political organization to carry his presidential bid.

This turn of events has delighted and ignited Mr. Chirac, who of all the candidates clearly savors campaigning the most. As he shuttles around the country, making four or five trips a week from Paris, the prime minister seems to have the biggest grin in France.

Mr. Chirac is known to have told confidants that he has "charisma" and Mr. Barre does not. But aside from his native energy, the Gaullist candidate also has the advantage of being prime minister; he can create news by governing and he incarnates the legitimacy of the state.

His strategy for knocking out Mr. Barre in the first round is to smother him with fraternal understanding while fiercely belaboring President François Mitterrand, who is expected to announce at the end of this month that he will be the Socialist candidate.

On this crisp Bordeaux night, as a faint pink sunset melted into the Atlantic, Mr. Chirac launched into an attack on Mr. Mitterrand. He accused him of being afraid to announce his candidacy sooner and of nourishing a "cult of personality" that masked the president's Socialist convictions.

"I am a candidate for the presidency,

and I dare to say so!" Mr. Chirac said. The faithful loved it.

Earlier in the day, fielding questions from elected officials in a packed auditorium, Mr. Chirac praised the unity of the rightist majority in the National Assembly that has supported him faithfully since he became prime minister in March 1986.

"The only way the Socialists can win," he predicted scathingly, "would be if there were a division of the majority in the second round, and neither Mr. Barre nor I want this to become imaginable."

But the prime minister insisted that if Mr. Mitterrand were re-elected, it would not be possible to resurrect the system of power-sharing, known as "cohabitation," between a Socialist president and a rightist prime minister that has governed France for two years.

"If the majority of the voters say 'go home,'" Mr. Chirac said, "well, we are good democrats and we will go home. Once we are punished we will have no more legitimacy."

Whether true or false, this threat is evidently a grand in Mr. Chirac's attempt to polarize French politics and pose a hard choice between another Socialist experiment under Mr. Mitterrand and his own candidacy. The prime minister apparently is counting on not many people asking why cohabitation was instituted in 1986 but not in 1988.

Consistency has never been Mr. Chirac's hallmark.

"Jacques Chirac acts with conviction," writes Franz-Olivier Giesbert, a journalist, in a new biography. "But he lacks convictions."

As a university student, Mr. Chirac briefly flirted with the Communist Party before becoming a gun-bo, risk-taking lieutenant fighting to keep Algeria French. He got into politics working for Prime Minister Georges Pompidou in the early 1960s and quickly earned the nickname "the bulldozer" for his ability to get things done.

Named prime minister by President Valéry Giscard d'Estaing in 1974, he resigned two years later in profound disagreement over a host of matters. The president's choice of a successor was a little-known economist who had served as Mr. Chirac's commerce minister: Raymond Barre.

When a rightist coalition led by the Gaullists won the legislative elections of March 1986, Mr. Barre opposed the idea of cohabitation. The first-round balloting April 24 will demonstrate in part whether Mr. Chirac was wise in taking up this novel challenge.

The prime minister's message is that in two years he has redressed a serious economic situation inherited from the Socialists, cut crime and halted a wave of terrorism that hit Paris in the autumn of 1986. He asks for a seven-year presidential mandate to continue.



Jacques Chirac with his wife, Bernadette, at a party rally in Paris.

Mediterranean Pullout Is Urged by Gorbachev

By Jackson Diehl and David Remnick
Washington Post Service

BELGRADE — Mikhail S. Gorbachev proposed a freeze on Soviet and U.S. naval forces in the Mediterranean on Wednesday and accused NATO leaders of "harping on the lie of a Soviet and Warsaw Pact threat" in order to resist reductions in nuclear weapons.

In a speech to the Yugoslav Federal Assembly, Mr. Gorbachev called the Mediterranean "an intricate knot of conflicting interests abounding in huge military arsenals," and he said a freeze on the superpowers' warships should begin July 1.

This would be followed, he said, by the establishment of ceilings for the naval forces and an eventual withdrawal of all U.S. and Soviet ships.

The Soviet leader also proposed, as a confidence-building measure, that Soviet and U.S. forces notify each other and Mediterranean nations in advance of ship maneuvers. And he proposed the establishment of "principles and methods assuring the security of shipping, especially in international straits." He suggested that a "consultative meeting" of Mediterranean nations and other interested countries could be organized to sort out proposals for disarmament in the ocean and put them into effect.

Western diplomats said the Soviet proposals appeared designed to win favor among Balkan and Arab nations bordering the Mediterranean but were unlikely to lead to serious negotiations with the West. At present, the U.S. Sixth Fleet, with an average of about 50 ships, is permanently stationed in the Mediterranean, while the Soviet

Defense Chiefs Of Superpowers Hold First Talks

New York Times Service

BERN — Defense Secretary Frank C. Carlucci met for 10 hours Wednesday with the Soviet defense minister, General Dmitri T. Yazov, in talks that U.S. officials said produced no specific agreements but opened the way for an expanded military dialogue between the superpowers.

By mutual agreement, officials of both sides declined to describe the talks precisely until Thursday, when each military leader will hold a news conference.

Mr. Carlucci and General Yazov, who had briefly met once before when Mr. Carlucci was the national security adviser to President Ronald Reagan, did most of the talking themselves, touching on subjects ranging from military doctrines and the positioning of forces in Europe to arms control, regional issues and the spending constraints on the two militaries.

"On some subjects, they agreed to disagree," said a U.S. official, who held a briefing after the meetings. The meetings were held at the U.S. Embassy in the Swiss capital before a working lunch and in the Soviet Embassy after lunch.

A final meeting is scheduled for Thursday morning.

Referring to relations with Yugoslavia, Mr. Gorbachev openly conceded Soviet responsibility for the break between Moscow and Belgrade in 1948 that led to Yugoslavia's nonalignment. He said that "unfounded accusations were leveled against the leadership of the Communist Party of Yugoslavia that inflicted grave damage on both Yugoslavia, the Soviet Union and socialism as a whole."

"I consider it necessary to refer to this today," Mr. Gorbachev added, "so as not to leave any space for concern, suspicion, mistrust, or a feeling of offense, which, as history shows, easily occur between nations while it is later difficult to overcome them."

Western diplomats said the statement was the most explicit acknowledgment to date by a Soviet leader of blame for the break and would be welcomed by the Yugoslav leadership. They noted, however, that Mr. Gorbachev had stopped short of naming either Stalin, who tried to establish Soviet control over Yugoslavia, or Tito, who successfully resisted.

INDICT: 4 in U.S. Charged

(Continued from Page 1)

Each charge carries a maximum fine of \$250,000.

Each of the obstruction and false statement charges against Colonel North and Admiral Poindexter carries a five-year sentence and \$250,000 fine.

The destruction-of-documents charge against Colonel North carries a three-year term.

Mr. Hakim and Mr. Secord, among other things, were charged with conspiracy to pay illegal gratuities to Colonel North and his family to further the sale of arms to Iran so that Mr. Secord and Mr. Hakim "would continue to receive opportunities for substantial revenues and profits" from "lucrative activities referred to them by North and facilitated by him."

This charge listed a series of two payments totaling \$16,000 to Glenn Robinette, a former CIA employee, who installed a CIA system at Colonel North's home in Virginia.

The indictment also charged that Mr. Hakim created an investment account containing \$200,000 in a Swiss bank for the financial benefit of the North family.

Colonel North also was charged with pocketing at least \$4,300 of \$90,000 in traveler's checks from a contra leader, Adolfo Calero. The charge alleged that Mr. Calero had given the checks to Colonel North for efforts to help release U.S. hostages in Lebanon and to help support the contra.

Colonel North also was charged with conspiracy to defraud the government in connection with the use of a tax-exempt foundation that raised several million dollars in private donations to help arm the contra. Two conservative fund-raisers, Carl R. Channell and Richard Miller, pleaded guilty last spring to the same charge and identified Colonel North as a co-conspirator.

The 1985-1986 sales to Iran were part of an effort to trade arms for U.S. hostages being held in Lebanon by pro-Iranian terrorist organizations.

Congressional investigators determined that of the \$16 million in profits from the arms sales, \$3.8 million went to the contra when the congressional ban on direct U.S. military aid to the Nicaraguan rebels was in effect.

INVADE: U.S. Considering Moves to Repel Attack by Sandinist Troops

(Continued from Page 1)

to destroy their remaining supplies."

He said that an additional 4,500 Nicaraguan troops "with strong helicopter support" were moving into a staging area in the Bocay Valley, near the Honduran border.

An administration official, speaking on the condition of anonymity, said that the Sandinist drive appeared to be aimed at a supply depot supporting the guerrillas, who are known as the contra.

If the depot is knocked out, "there will be nothing left" of the contra war effort, the source said.

The official said that Colonel Enrique Bermudez, the contra commander, was in the Bocay region.

Mr. Fitzwater also said that "the Organization of American States will be asked to consider the issue, and the presidents of Guatemala, Costa Rica and El Salvador will present their views."

Mr. Fitzwater said that "more than 1,500 Sandinista troops are now inside Honduras, attacking freedom-fighter camps in an effort

Bush and Simon Post Strong Victories in Illinois

By E.J. Dionne Jr.
New York Times Service

CHICAGO — Vice President George Bush soundly defeated Senator Bob Dole in the Illinois Republican presidential primary, stretching his already overwhelming lead in the race for his party's nomination.

Senator Paul Simon of Illinois, riding a powerful wave of local affection to his first victory of the political season, triumphed over the Reverend Jesse L. Jackson in the Democratic primary.

Governor Michael S. Dukakis of Massachusetts, the leader in a contest of delegates, finished a distant third despite spending at least \$250,000. But he was too far back to receive any delegates.

The results frustrated his hopes for convincing Democrats that he was the clear leader and gave new life to a contender, Mr. Simon, whose candidacy had been considered near dead.

Mr. Jackson managed 7 percent

DOLE: Campaign Downfall Was His Own Making

(Continued from Page 1)

of the white vote, according to The New York Times-CBS News Poll of voters who had just cast their ballots, and took his anticipated 90 percent of the black vote. But that added up to just over a third of the total in the popularity portion of the contest in Illinois.

It was not a hopeful omen for the charismatic clergyman: Illinois has a larger percentage of blacks than any remaining on the electoral calendar, except the District of Columbia, and it has been his home base for two decades.

The outcome in Illinois thus muddled the Democratic picture and increased the likelihood that no candidate would amass a majority of delegates by the time the primaries conclude in June.

Mr. Bush's victory put him within a group of his party's nomination. But Senator Dole, of Kansas, insisted even before the results were known that he would battle on in primaries in Connecticut on March 29 and Wisconsin on April 5.

even if New Hampshire had turned out differently.

"In fairness to Dole, even the very best of campaigns would have had a difficult time succeeding," said John Deardourff, a Republican consultant who is not associated with any of the presidential efforts. "There is a tendency to underestimate the potency of the Bush operation."

Even so, Mr. Deardourff is among those who deliver harsh judgments on Mr. Dole's second quest for the presidency. "There was never a comprehensive plan," he said. "There was never a full-time staff with prior presidential campaign experience. There was no money, not even a chipper."

Mr. Bush has not had a message either, but Mr. Bush was President Ronald Reagan's vice president. And, as it turned out, for most Republicans that is enough.

Mr. Bush also had an experienced, savvy political team in place early. Mr. Dole did not. In late 1986 and early last year, Mr. Dole discussed running the campaign with John Sears, a veteran GOP operative, but they could not agree about the "message" problem or the extent of Mr. Sears' control over the operation.

Instead, direction of the Dole

PANAMA: Noriega Loyalists Quash a Coup Attempt

(Continued from Page 1)

presence was not considered "as a hostile act at this moment."

Protesters were allowed to run wild during the morning as General Noriega apparently consolidated his control. Riot policemen appeared in force shortly after noon, firing tear gas and shotguns.

As thick smoke billowed across the city, the demonstrators scattered quickly from the advancing police, who ripped apart barricades. The streets were virtually deserted by early afternoon.

Diplomats said the show of force indicated that General Noriega's grip on the strategic nation had not loosened.

Virtually all of the city's shop owners quickly pulled down the shutters and barred their doors.

State electrical workers went on strike, cutting off power to many

parts of the country, including the capital. Water also was unavailable in parts of the city. (UPI, AP)

Amnesty International, the London-based human rights group, said Wednesday that Panamanian security forces tortured, beat and arrested people who peacefully protested the rule of General Noriega, killing one man who shouted "Down with Noriega" in public. The Associated Press reported from London.

Amnesty International said that more than 1,000 people have been hurt in protests that began in June, when General Noriega was accused by a subordinate of corruption, fraud and ordering the 1985 assassination of a leading opponent.

DEMOCRATS: Balkanization

(Continued from Page 1)

for a few more states? Gerald Austin, Mr. Jackson's campaign manager, chuckled — playfully and hopefully — Tuesday night.

The chief casualty is Mr. Dukakis, the week's most vocal crusader against a brokered convention. His campaign, more than any other, has been built on, and profited from, the idea that his ultimate victory is inevitable. He has the most money, the biggest staff, the largest organization.

But inevitability can have a double edge. The candidate who asserts it must sustain it. By running a weak third in the first large northern industrial state to vote — a state, on paper, that should be well disposed to him — Mr. Dukakis showed that he was not inevitable enough to overcome the tug of home-state sympathies. In a roughly analogous circumstance in Illinois in 1976, Jimmy Carter had enough of a head of steam to overcome the favorite son candidacy of then-Senator Adlai E. Stevenson 3d.

"I think you can say Dukakis' aura of inevitability, if it ever really existed, is gone," said William Carrick, manager of Representative Richard A. Gephardt's campaign.

In a larger field, he hopes the Missouri congressman's labor support will carry him to a win in the Michigan caucuses.

The Dukakis camp sought to put the best face on Tuesday's result. "This year, everybody knows that presidential politics is about winning on the road," said Susan Estrich, the campaign manager. "We feel pretty good about what we did. We didn't beat the favorite son, but neither did we get caught from behind."

She said the single-digit showings Tuesday of both Mr. Gephardt, who made only a token effort in Illinois, and Senator Albert Gore Jr. of Tennessee, who spent as much as Mr. Dukakis — about

PARIS PHONES ARE DISRUPTED

International Herald Tribune

International calls to and from parts of the Paris region were disrupted on Wednesday because of a fault in an exchange. A telephone company spokesman said the cause was a fault in a dialing device used by the company to correct the fault by Thursday.

So far in this campaign, most of the breaks have fallen his way. Illinois offered Mr. Dukakis his first good chance to substantiate his claim to inevitability, but he missed the opportunity. From here on, it will be harder.

ULSTER: 3 Killed at IRA Burial

(Continued from Page 1)

Security forces combed the cemetery and surrounding streets in search of possible hidden weapons before the funeral, then retreated a discreet distance as the caskets were taken from family homes to begin the funeral procession.

Until the attack, the services had been tense but relatively quiet except for the explosion of a small booby-trap bomb about a mile (about a kilometer and a half) away. One member of a British Army foot patrol was slightly wounded in that blast.

The gunman opened fire on the hundreds of mourners just as the coffin containing Mairead Farrell, 31, Daniel McCann, 30, and Sean Savage, 23, were being lowered into graves in a special section of the cemetery reserved for IRA members.

John Jordan, a van driver for an



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JAHOLITA

SCIENCE

Genetic Engineers Hope to Design Proteins for Specific Jobs

By Andrew Pollack

New York Times Service

SAN FRANCISCO—With the first products of genetic engineering starting to reach the marketplace, scientists are preparing for what is expected to be the next big step in the biotechnology revolution: the creation of complex compounds that are custom-designed to meet human needs.

So far, genetic engineering has mainly been used to produce substances that already exist. The gene controlling production of human insulin, for instance, can be implanted into bacteria, which will then produce the insulin.

The new technology, known as protein engineering, promises to take scientists one step further by modifying natural proteins or by creating new ones. Protein engineers have already produced some promising substances, but scientists feel that they are just on the edge of the frontier. The design and production of new proteins is a far

more complex challenge than the synthesis of organic materials such as plastics.

Proteins play a pivotal role in life. Virtually all substances produced by living cells are proteins: hormones, enzymes, antibodies, hair, skin, bones and so on. And virtually all biological functions are controlled by proteins. Hence, being able to tailor-make proteins for specific tasks holds great allure.

The first applications of protein engineering, a cross between gene-splicing and computer modeling, will be to make drugs with improved properties and industrial enzymes that last longer than the natural versions. In the future, the technique could allow the creation of new drugs to fight such diseases as cancer and AIDS. Scientists envision designer proteins being used to clean polluted rivers.

Useful substances could also be created. Nylon—a synthetic material—is a simple molecule compared to what you can do with

protein," said Michael Levitt, professor of structural biology at Stanford University.

Because of its potential, protein engineering is attracting interest from most of the major drug and chemical companies. Both Japan and Britain have organized government-backed consortiums to try to gain the lead.

Daunting theoretical problems are yet to be solved. Still, scientists are for the first time in a position to make rapid progress because of the convergence of developments in several fields. "There are a lot of beautiful techniques that are all coming to bear at the same time," said Charles S. Craik, assistant professor of pharmaceutical chemistry at the University of California at San Francisco.

Chief among those techniques is genetic engineering, which enables scientists to make precise, tiny changes in proteins. Before the gene-splicing technology came along, scientists were able to syn-

thesize some simple proteins by chemical methods, but the process was not practical.

Advances in computers allow scientists to study complex molecules on computer screens and do calculations to predict protein structure. Also important are im-

provements in techniques to determine the structure of natural proteins.

Proteins are made of amino acids, building blocks that are strung together like beads on a chain. A protein might have anywhere from

50 to more than 500 of the 20 different amino acids.

The production of each of the 20 is governed by a particular sequence of three subunits, or bases, of the DNA molecule. Hence, if the sequence of the DNA bases is known, it is a straightforward matter to predict the sequence of amino acids making up a protein.

In addition, scientists can use genetic engineering to substitute a new three-base code at a particular point in the DNA and thus make a specific change in the resulting pro-

tein. For instance, they can change the cysteine amino acid at, say, position 125 in the protein chain to a glycine amino acid merely by changing the genetic instruction.

But knowing the sequence of amino acids in a protein turns out not to be enough to predict a protein's function. The function of the protein depends not on its amino acid sequence directly, but on its shape: the protein meshes precisely with the molecule with which it will interact, like a lock and key.

The chain of amino acids folds into a highly complex three-dimensional structure. The chain, whose formation can be thought of as step one in the production of a protein, forms secondary structures, such as helices and flat sheets. Those secondary features, in turn, fold up into the final tertiary structure.

No one has yet been able to predict the final shape, given only the sequence of amino acids. Still, given other information, such as how proteins with similar sequences

fold, scientists have used computers to make intelligent guesses.

In addition, scientists believe that proteins should fold into the most stable shape, the one with the lowest thermodynamic energy level. But even for a simple protein there are so many possible shapes and so many atoms that even the most powerful computers cannot cope with the task of finding the most stable shape.

Scientists are therefore trying to limit the computer's choices by developing rules of thumb. For instance, amino acids that tend to repel water tend to be on the inside of the protein after it is folded, while those amino acids that attract water end up on the outside, next to the water.

Fred E. Cohen, assistant professor of pharmaceutical chemistry and medicine at UCSF, and colleagues used such shortcuts to try to predict the structure of interleukin-2, a protein being used as a drug to treat cancer. When the

structure of interleukin-2 was directly determined, Cohen's prediction turned out to be correct for 75 percent of the structure. Still, completely solving the folding problem is likely to take 20 years, he said.

Without an ability to predict folding, scientists cannot yet create complex proteins. A few researchers have managed to create simple proteins made of several helices. But no useful protein has been made from scratch, and none are likely to be for many years. "They can make outhouses," said Levitt of Stanford. "They can't make buildings yet."

With so much basic research needed on analyzing protein structure and developing rules for folding, some scientists and industry leaders are urging American companies to cooperate with one another, to avoid duplication. Otherwise, they say, the United States might fall behind the Japanese and the Europeans.

Community-Based Tests For AIDS Treatments

By Gina Kolata

New York Times Service

AGROWING number of New York patients and their doctors are beginning to test possible AIDS treatments under a novel community-based approach to drug trials.

The patients volunteer to try experimental drugs while their personal doctors, who are not part of the university research teams that normally conduct trials, volunteer to administer the drugs and keep records.

The experiment is the product of the Community Research Initiative (CRI), a group of homosexual men infected with the AIDS virus and their doctors who banded together out of frustration with what they considered the slow progress in federal testing of drugs.

The group, which now has hundreds of volunteers and has drawn women and drug addicts with AIDS into its activities, believes it can identify useful drugs far more quickly than more formal university-based trials can. It is also eager to provide as many patients as possible with even unproved drugs—an approach that some doctors see as dangerous, but that the group considers preferable to waiting passively as acquired immune deficiency syndrome takes its toll.

While some scientists have been skeptical, the CRI was recently singled out by the President's Commission on AIDS as a useful adjunct to traditional university-based clinical studies.

The group's doctors are not equipped to do certain technically difficult diagnostic and prognostic tests that are sometimes part of clinical research. But the group has been approached by several drug companies for less complicated studies.

Dr. Donald Armstrong, chief of infectious diseases at the Memorial-Sloan-Kettering Cancer Center in New York and a member of CRI's advisory board, said the idea that community doctors could do such research "is new in clinical medicine for a disease as complicated as AIDS."

Outside experts, while praising

the group, assert that its approach cannot take the place of more formal experiments, which often involve few patients and take more time but can establish with greater certainty whether a drug is useful.

The federal program of AIDS drug development sees its basic goal as determining as speedily as possible whether drugs are effective against AIDS, noted Dr. Daniel Hoth, director of AIDS programs for the National Institute of Allergy and Infectious Diseases in Bethesda, Maryland. Wide access to drugs is important, Dr. Hoth said, but only when a therapy has been found to be effective. So far, only AZT, azidothymidine, an anti-viral agent, has been shown to prolong life in some AIDS patients, although toxic side effects preclude its use by many.

But Thomas Hannon, acting administrative director of the CRI, said that "research to date through the establishment has been very slow."

"The attitude has been business as usual, which is a natural consequence of the bureaucracy," Mr. Hannon said. "But the amount of time we have as individuals with AIDS is limited and, for most of us, experimental drugs are the only treatments there are."

Experts have said that a major source of delay in university-based clinical trials is finding volunteers to participate who fit the particular medical profile being sought.

CRI says it represents hundreds of volunteers who are ready to be tapped to test new treatments. Mr. Hannon explained that many of them would not be willing to participate in federal research. They cooperate "because they are doing things through their own physicians," he said.

In contrast to the initial skepticism of some experts, the President's Commission on AIDS praised the group's approach as one worth emulating. One commissioner, Dr. Burton J. Lee Jr. of Memorial Sloan-Kettering, said in a letter to the group that it "appears to be one of the best things to have come out of the AIDS effort." He added that the commission

"will do everything we can" to be certain that the approach is endorsed by the National Institutes of Health.

Founded last May, the CRI began its first large clinical trial in December, a study of whether an inhaled drug, pentamidine, can prevent an unusual form of pneumonia that kills many AIDS patients. Three smaller drug studies are also under way.

In addition, the group's doctors are keeping track of the unproved medications that many of its members are taking. They hope these records may detect some drugs that are effective or dangerous.

Dr. Armstrong said he doubts whether the records of drugs AIDS patients are taking on their own will yield useful information. "If there was something quite startling, if a drug is very efficacious or very toxic, it might become evident," he said. "It is hard to pick up subtle changes."

As part of its mission to make experimental drugs available to all, the CRI has pressed for the inclusion of women and intravenous drug users in formal treatment studies. Most studies so far have involved only homosexual men because researchers believed their results would be more clear-cut if they concentrated on a large, homogeneous group of patients.

Dr. Hoth said he and his colleagues at the National Institute of Allergy and Infectious Diseases supported the idea of community-based research so long as the leaders follow sound techniques of clinical research, including the writing of protocols and collection and analysis of data. He said the institute will soon allow community groups to compete with traditional research centers for federal research funds.

Dr. Armstrong cautioned that the group is not set up for some sorts of studies that involve technically difficult procedures, such as measuring numbers of AIDS virus particles in blood. But he said he thought the CRI was ideally suited to determine whether AIDS patients taking drugs to prevent pneumonia are protected.

later, when the disease has progressed to the point at which it may be fatal, do moles start to bleed, become raised, or develop crusts.

The findings suggest that "the public and doctors need to be taught to look for early signs" of the deadly form of skin cancer, said Dr. Barrie Cassileth of the University of Pennsylvania Cancer Center. When malignant melanoma is caught early, Dr. Cassileth said, "it is 100 percent curable."

A New Heart Attack Drug

BOSTON (NYT)—A new drug, Eminase, has joined the ranks of clot-dissolving substances that can save the lives of many heart attack patients. The drug stays in the blood longer and can be given as a single injection, which makes it easier to administer than either of the existing drugs. In a British study, patients taking the drug after a heart attack were only about half as likely to die than patients who received a placebo.

Eminase and similar drugs dissolve clots that block the blood flow in coronary arteries. If the clots can be dissolved, a heart attack can be halted and heart tissue can survive. In the United States, heart attack patients are treated either with streptokinase or with tissue plasminogen activator (TPA). Both of these drugs are broken down quickly by the body and must be given by a slow infusion over several hours.

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NYSE Most Actives table with columns: Vol., High, Low, Last, Chg. Lists top trading stocks like Pilsbury, Novartis, and Amgen.

Market Sales table with columns: NYSE, AMEX, OTC, and OTC volume down. Shows trading volume in millions of shares.

NYSE Index table with columns: High, Low, Close, Chg%. Shows the performance of the NYSE Composite Index.

Wednesday's NYSE Closing logo with the text 'Via The Associated Press'.

AMEX Diary table with columns: Class, Prev., and various stock symbols.

NASDAQ Index table with columns: Class, Prev., and various stock symbols.

AMEX Most Actives table with columns: Vol., High, Low, Last, Chg. Lists active stocks on the AMEX.

Dow Jones Bond Averages table with columns: Bonds, Utilities, Industrials, and their respective values.

NYSE Diary table with columns: Close, Prev., and various stock symbols.

Odd-Lot Trading in N.Y. table with columns: Buy, Sell, and various stock symbols.

Dow Jones Averages table with columns: Open, High, Low, Last, Chg. Shows the performance of the Dow Jones Industrial Average.

Standard & Poor's Index table with columns: High, Low, Close, Chg%. Shows the performance of the S&P 500 Index.

NASDAQ Diary table with columns: Class, Prev., and various stock symbols.

AMEX Stock Index table with columns: High, Low, Close, Chg%. Shows the performance of the AMEX Stock Index.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Large table of stock prices with columns: 12 Month High, Low, Stock, Div. Yld. PE, 100 High Low, and various stock symbols.

Late Rally Drives NYSE Higher

NEW YORK — Prices on the New York Stock Exchange closed higher Wednesday in moderate trading as bargain-hunting produced a rally in the final hour. The rise broke a three-day standstill in which investors refrained from active trading ahead of a report scheduled Thursday on U.S. merchandise trade for January. The Dow Jones industrial average, which fell 2.66 points Tuesday, rose 16.91 points to close at 2,064.32. The index won the entire advance in the final 35 minutes after showing a modest deficit for most of the session. Advances led declines 9 to 5. Volume climbed to 153.59 million shares from 133.17 million on Tuesday. "It was a very strong close," said Trude Latimer of Josephthal & Co. "It seems that the (buy) programs have been coming in for 3 or 4 clock recently. What's interesting about today is that the market held the gains. Usually it goes the other direction shortly after the programs." Broad market indexes also gained. The New York Stock Exchange composite index rose 1.29 points to 151.28. Standard & Poor's 500-stock index rose 2.52 points to 268.65. The price of an average share added 28 cents. Jack Pickler, director of research at Wheat, First Securities in Richmond, Virginia, said the low volume of the past three days had reflected some "overall nervousness" and a reluctance to participate ahead of the trade figures. "We don't expect the trade numbers to be dramatically different" from the \$12.2 billion shortfall in December, Mr. Pickler said. "If you got a bad number, the market could fake us out on the downside and then rally at the end of the month. We are favorably disposed on the near term." He said investors are "looking for an excuse to get into the market" and the nervousness was "more from the positive side than the negative side." Analysts also cited concern over Friday's expiration of stock-related futures and options for the market's three-day holding pattern. Pilsbury was the most active issue, up 3 1/2 to 42, as takeover rumors once again surrounded the food and restaurant company. Navistar followed, up 1/4 to 5 1/2. Ford Motor was third, up 1/4 to 44 1/2. AT&T gained 1/4 to 28 1/2. IBM was up 1/4 to 115 1/2. Digital Equipment rose 1 1/2 to 117 1/2. Texas Instruments was up 1 to 55 1/2. Among other blue chips, General Electric was up 3/4 to 44 1/2. Eastman Kodak was unchanged at 43. American Express was down 3/4 to 26 1/2. General Motors was up 2 to 73 1/2 and Merck was down 3/4 to 157 1/2. Prices closed higher in moderate trading on the American Stock Exchange. The Amex Market Value index rose 0.79 point to 297.51. Lorimar Telepictures led the Amex actives, down 1/4 to 14 1/2. (UPI, Reuters)

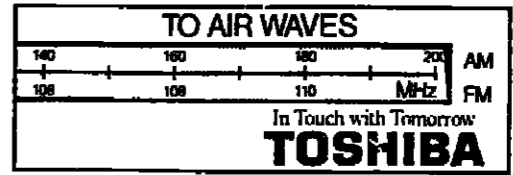
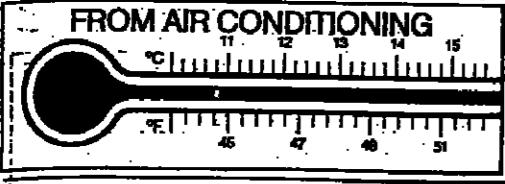
Large table of stock prices with columns: 12 Month High, Low, Stock, Div. Yld. PE, 100 High Low, and various stock symbols.

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JANISOLTA

(Continued on next left-hand page)



THURSDAY, MARCH 17, 1988

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INTERNATIONAL MANAGER

Latest Computer Software Insures' a Pocket Diary

By SHERRY BUCHANAN

LONDON — Corporate addicts of Filofaxes and of other personal organizer files go to great lengths to insure them against fire, flood, theft, loss or hyperactive house pets. In case of loss, some Filofaxes carry reward certificates of up to \$500 for return to their owners.

New software now being sold on the British market enables managers to store their Filofaxes or similar organizers into their personal computers.

"I've got all my Filofax stored in my personal computer, which — and this is the key to the new software — I can then print out in a format which fits into my Filofax," said Derek Cohen, editor of Personal Computer World, a London-based trade publication.

A new service even does the drudge work of typing new data into the computer.

The system, Portex, costs \$86.50 (\$160 plus value-added tax at Showring Business Systems Ltd. in London. Addresses typed in at random are sorted out by the system, which then prints them out on Filofax-size paper, binder holes and all. It also transcribes desk diaries. Executives or secretaries who are too busy to bother typing all that information into a personal computer and then keeping it updated can subscribe to a two-month old service, Personal Backup, in London, which will do all the drudge work for them. Personal Backup types executives' address books (no matter how bad the handwriting is) into the computer, updating them as often as clients wish and, in case the originals are lost, can provide duplicates within 24 hours.

"It's like having a second mother to look after you," said Gregory Toleran, a Bermuda-based consultant who advises private clients on venture capital deals. "I spend a lot of time traveling and often end up at short notice in places I hadn't planned to go to and so don't have the names and telephone numbers of my business contacts there."

MR. TOLERAN once had a personal assistant who spent 20 hours a week just updating his business and social contacts list. No longer, thanks to Personal Backup. The service costs \$30 (about \$55 for the first year's subscription, 15 pence (28 cents) per record for the first year (a record is defined as all information relating to a single name) and 5 pence per record in the following years.

"I have everything on record in case I lose it," said Lyn Ashworth, a London fashion designer who has just subscribed. Some Filofax users however, are unconvinced. "Having neat typed-out print-outs in your Filofax takes a lot of the character away," says Robert J. Keenan, a CBS network sales executive in New York. "It neatens it up too much. A Filofax has to be jammed with bits of paper and have notes scribbled in it. Otherwise you don't look important or busy enough. You might as well walk around with a computer diskette in your pocket."

Mr. Keenan thus helps explain why so many people carry around a paper filing system in the electronic age: it's leather-bound, tactile, chic. Indeed, the Filofax has long since become a cult product.

For those who do want to move all the way into the electronic age, a new hand computer 5 and a half inches long, 3 inches wide and 1 inch deep (about 14 by 3 by 2.5 centimeters) is available for \$99.50 from Paion, a London microcomputer company. It only weighs 250 grams (about 9 ounces), featherweight compared to some people's paper organizers. Transferring the information onto a personal computer is instantaneous with a special plug that costs \$12.95.

Currency Rates

Table with columns for Currency, Unit, and Rate. Includes sub-sections for Cross Rates and Other Dollar Values.

Interest Rates

Table with columns for Eurocurrency Deposits, Forward Rates, and Key Money Rates.

Asian Dollar Deposits

Table with columns for Currency, Term, and Rate.

U.S. Money Market Funds

Table with columns for Fund Name and Yield.

Gold

Table with columns for Location and Price.

No Action Planned By OPEC

Other Producers Continue Meeting

Youssef M. Ibrahim

PARIS — The Organization of Petroleum Exporting Countries will not meet to deal with the recent fall of oil prices, the cartel's president said, but in London representatives of several oil producing countries outside OPEC continued to meet Wednesday in search of a way to prop prices.

The London meeting was believed to have ended on Friday, but the talks were continued without a public announcement. Officials involved said that no conclusion had been reached on what to do.

In an interview published Wednesday, OPEC's president, Riwwan Lukman, blamed the decline in oil price on news reports, particularly in the West, which he said was trying to sow "panic among buyers and sellers of oil because of its desire to bring oil prices crashing again."

The average OPEC price is now between \$13 and \$14 a barrel, well below the group's target level of \$18. Mr. Lukman said the recent decline would not prompt OPEC to call for emergency measures, as officials of some of the group's member countries, particularly Algeria and Venezuela, have urged.

Mr. Lukman, who is also Nigeria's oil minister, made the comments in an interview with the OPEC news agency. His opposition to a meeting put a debate within the cartel to rest.

Some oil ministers had proposed scheduling a meeting to consider a production cut ranging from 5 percent to 10 percent.

Saudi Arabia, Nigeria and Indonesia oppose holding a meeting now.

Giants Jostle to Fill the Tank

By Matthew L. Wald

New York Times Service

NEW YORK — The price of oil has fallen sharply in recent weeks, and some analysts predict it could go lower by summer.

But the major American oil companies, believing that the drop in price is transitory, are significantly increasing their spending to find new oil and gas. Industry executives are not distracted by the short term. They believe that crude oil supplies will significantly tighten by the early 1990s. To produce oil then, however, they have to find it now. After oil is discovered, it typically takes five to 10 years before it can be produced.

"Before you can get the stuff into a tank, it's five or six years," Lawrence G. Rawl, chairman and chief executive of Exxon Corp., said.

Moreover, many American oil companies believe that increasing world demand, combined with declining production in such important areas as the United States and the North Sea, will give OPEC the power by the 1990s to raise prices.

"There is a feeling that the direction of prices will be improving as we move into the 1990s," said Lodwick Cook, chairman of Atlantic Richfield Co., generally known as Arco.

In addition, their success in finding oil around the world at a relatively low cost has encouraged some oil companies to increase their exploration efforts. Amoco found 30 percent more oil and gas in 1987 than it produced. Exxon, habitually a loser in the struggle to replace production with new oil resources, boasted that in 1987 it found 70 percent as much oil and gas as it pumped, compared with 46 percent in 1986.

Drilling costs have plunged in the last few years, making more projects economically viable, even at relatively modest oil prices.

"A lot of things that were economic at \$22 a barrel gradually have gotten economic at \$18," said David E. Quady, manager

of strategic planning at Chevron Corp., which is boosting its overall capital spending by 10 percent to \$3.2 billion this year.

But in a reflection of how oil is becoming increasingly more difficult and more costly to find in the United States, the big Ameri-

started exploring in Argentina and Zambia.

A survey by the Oil & Gas Journal last month found that companies plan to spend \$14.36 billion this year searching for new oil in the United States, including Alaska, up 15.7 percent from last year. Companies plan to spend \$4.88 billion on foreign exploration, up 35.9 percent. The amount earmarked for foreign exploration accounts for 25.4 percent of the total exploration budget, up from 20.9 percent in 1986 and 22.4 percent in 1987.

The oil companies plan to increase their total capital expenditures in the United States and abroad — including spending on exploration and production, refining, marketing, pipelines and other expenses — by 13 percent, marking the first increase in seven years, according to the Oil & Gas Journal.

Mr. Rawl of Exxon told securities analysts last week that he

See OIL, Page 11

With drilling costs low, U.S. firms are foraging for oil to meet expected higher demand in the early 1990s.

can oil companies are increasing the portion of their total expenditures earmarked for foreign exploration.

The companies are looking for oil in such proven areas as the North Sea and offshore Indonesia. But they are also looking in new areas. Mobil Corp. recently

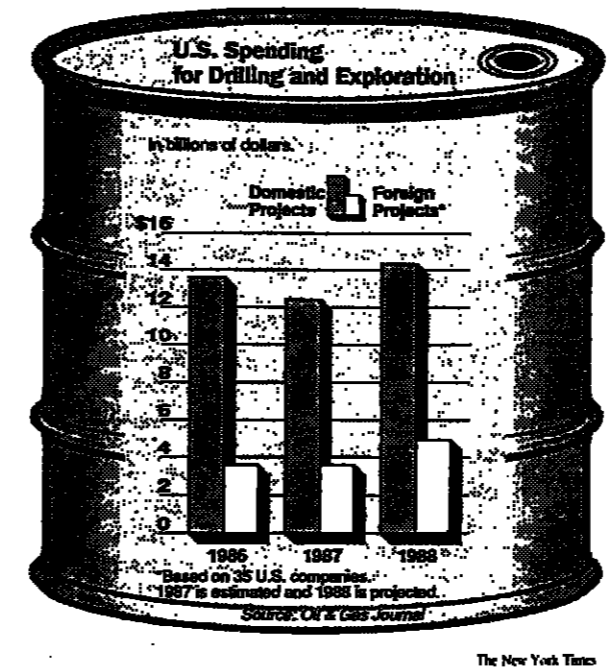


Table with columns for Currency, Unit, and Rate. Includes sub-sections for Cross Rates and Other Dollar Values.

Japanese Policy Makers Struggle for Consensus on Growth

By Robert A. Bennett

New York Times Service

TOKYO — Senior Japanese policy makers are locked in a critical debate on what target to set for economic growth over the next five years, government sources say.

Some policy makers, led by the Finance Ministry, want to set a relatively low growth target of about 3.5 percent, or even none at all. Others, led by the Trade and Industry Ministry, are pushing for a higher target of at least 4 percent as measured by gross national product, the total output of a nation's goods and services.

Although the difference may seem small, at stake is the government's stance on fiscal policy from April 1988 through 1992. A higher target would imply greater government spending in relation to tax revenues, which the Finance Ministry opposes.

Economic Council, which acts as an adviser to Prime Minister Noboru Takeshita and which will draw up the five-year plan.

Under the first scenario, GNP growth would average 4.2 percent a year for the five fiscal years ending March 31, 1993, the sources said. That would be achieved by hefty growth in public investment of 7.5 percent a year, and would leave the surplus on the current account, the widest measure of a country's trade, at about 1 percent of GNP in 1992-93.

For the financial year that will end this month, the government has forecast 3.7 percent growth. On the current account, which combines merchandise trade, services and some investment flows, it is expecting a surplus of \$82 billion, or 3.3 percent of GNP.

The second forecast sees GNP growth averaging 3.8 percent as public investment rises 2.5 percent a year, the government sources said. Under those assumptions, the current

account surplus will total about 1.75 percent of GNP at the end of five years.

The third possibility assumes no growth in public investment. GNP growth would then average 3.3 percent and the current account surplus would fall to 2 percent of GNP.

All three scenarios assume that the real exchange rate remains stable over the five-year period. Given inflation differentials, that implies a fall in the dollar's nominal rate to about 110 yen, from nearly 130 now.

All three forecasts also assume world trade will grow at about 4 percent a year over the five years, government sources said. Japanese exports are expected to rise by around 3 1/2 percent a year, in volume terms, under all three outlooks.

The main difference comes in imports.

Under the first case, imports will rise by some 9 percent a year, under the second by about 7 percent and in the third case by around 6 percent.

Japanese consumer price inflation under all three scenarios would average around 2 percent for the period, while wholesale prices would be basically stable, the sources said.

At a meeting of the Economic Council subcommittee on Tuesday, council members split into two camps — those who believe growth should be between the first two forecasts, at around 4 percent, and those who want it between the last two, at about 3.5 percent. Some government sources suggested a compromise could be struck around 3.7 or 3.8 percent.

Some council members have expressed concern that the subcommittee was not adequately weighing the effects of economic restructuring on growth over the next five years, the sources said.

Restructuring and deregulation could lead to faster growth, without the need for a commensurate increase in government spending, they said.

First City Bancorp Misses a Deadline for Bailout

By Robert A. Bennett

New York Times Service

NEW YORK — A tender offer for bonds issued by troubled First City Bancorp of Texas Inc. has failed to attract the number of securities needed to proceed with a \$1.47 billion plan to rescue the banking company from failure.

Under the plan, the Federal Deposit Insurance Corp. would pump \$970 million into the Houston-based banking company, and an

investor group led by A. Robert Abouad, a Chicago banker, would add \$500 million.

The deadline for tendering notes arrived Tuesday. Mr. Abouad's group then postponed the deadline until March 29 and indicated that it would seek new ways to execute its plan. A spokesman for the FDIC said that the federal agency would continue to work with the group.

First City, which owns about 60 banks across Texas with assets of

about \$12 billion, is the state's fourth-largest banking company. It has been troubled by losses on loans to the energy industry and on real estate ventures in the Southwest.

Under the rescue plan, holders of 90 percent of the \$225 million in bonds must tender their securities. Holders of senior notes would receive 45 cents on the dollar, and holders of First City's junior notes would receive 35 cents on the dollar. As of Tuesday's deadline, only 51 percent of the outstanding bonds had been tendered.

Bond holders have demanded a bigger return or have sought to have the FDIC and the investor group lower the threshold at which the deal would occur. If the plan worked and the bank managed to avoid failure, the bonds not tendered would maintain their face value, with their holders losing nothing.

L. William Seidman, the chairman of the FDIC, has said that in any event, First City's depositors will be protected. But because of the precarious financial position of many banks in Texas, the agency is under pressure to complete some kind of a rescue of First City.

First Republic Borrows

Thomas C. Hayes of the Dallas Times reported from Dallas: First Republic Bank Corp. borrowed funds directly on Tuesday from the Federal Reserve Bank of Dallas, a spokesman for the banking company said. Analysts said the move was a reflection of accelerating depositor withdrawals and an indication that other banks had severely restricted short-term loans normally made available to the company.

The ailing Dallas-based company, which holds about \$2.55 billion in doubtful loans, entered talks Tuesday with the FDIC to seek federal assistance to prevent its failure.

A bailout of the bank-holding company, the largest in Texas with \$33.2 billion in assets and 60 banks, would likely be among the most costly in the FDIC's history.

In a telephone interview Tuesday after a meeting with the directors, Gerald W. Fronterhouse, the company's chairman and chief executive, said it would be "two or three weeks" before the bank would suggest a specific plan to the FDIC.

He said that depositors would be fully protected.

Manufacturers Hanover Loses Its Heir Apparent

By Robert A. Bennett

New York Times Service

NEW YORK — The banking world has been jolted by the resignation of John R. Torell 3d, the president of Manufacturers Hanover Corp., who was widely viewed as the heir apparent to John F. McClellenny, chairman and chief executive.

Mr. Torell, 48, had been with the bank for 27 years. Although Manufacturers Hanover had a \$1.14 billion loss last year, the areas for which he was responsible appear to have been among the most profitable and least troubled: investment and corporate banking.

Analysts voiced surprise because Manufacturers Hanover seemed to be emerging from serious earnings difficulties and Mr. Torell, they said, had played an important role in that process.

Although he currently is in charge of international banking, he did not have that responsibility when the bank made huge loans to Third World countries. Nor was he responsible for the bank's troubled loans in the energy industry. He was largely responsible for developing the bank's solid consumer business.

Mr. Torell said Tuesday in a telephone interview that he wanted "to do something different," although he was unsure of his plans.

Citicorp Expects 4 Profitable Quarters This Year

By Robert A. Bennett

New York Times Service

Citicorp's chairman, John Reed, said Wednesday that the company would post a profit in all four 1988 quarters, Reuters reported from Detroit, where Mr. Reed was giving a speech.

He declined to estimate earnings. "Just look at the last three years and adjust for loan-loss reserves," he said.

Citicorp had a 1987 loss of about \$1.14 billion after increasing its loan-loss reserves for problem Third World loans by \$4.4 billion.

Advertisement for METAXA brandy, featuring a bottle and a glass. Text includes 'WORLD'S No. 1 BRANDY', 'IN DUTY FREE', and 'COMPLETE AIRCRAFT MANAGEMENT SYSTEMS'.

Advertisement for REPUBLIC NATIONAL BANK OF NEW YORK (SUISSE) S.A. and FIRST REPUBLIC BANK CORP. of Dallas, Texas. Includes 'ADVERTISEMENT' and 'JET AVIATION' logo.

Wednesdays NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, 1987 High, Low, Close, Chg. Lists various stocks and their performance.

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, 1987 High, Low, Close, Chg. Lists various stocks and their performance.

Company Results

Revenue and earnings or losses, in millions, are in local currencies unless otherwise indicated.

Table with columns: Company Name, 1987 Revenue, 1987 Profit, 1988 Revenue, 1988 Profit, 1988 Per Share. Lists results for companies like Apple-Picker Ind., Glaxo, etc.

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, 1987 High, Low, Close, Chg. Lists various stocks and their performance.

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, 1987 High, Low, Close, Chg. Lists various stocks and their performance.

NYSE High-Lows

NEW HIGHS 26 NEW LOWS 7

Table listing NYSE High-Lows with columns for company name, high, low, and change.

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, 1987 High, Low, Close, Chg. Lists various stocks and their performance.

Table with columns: 12 Month High, Low, Stock, Div. Yld. PE, 1987 High, Low, Close, Chg. Lists various stocks and their performance.

Orkla's Profit Climbs

By 45% to \$73 Million

OSLO—Orkla Borregaard AS, a Norwegian industrial conglomerate, reported Wednesday that its pretax profit rose 45 percent last year to 465 million kroner (\$73 million).

U.S. Futures

Via The Associated Press

Table listing U.S. Futures contracts for various commodities like Wheat, Corn, Soybeans, etc.

Currency Options

PHILADELPHIA EXCHANGE

Table listing Currency Options for various currencies like British Pound, Japanese Yen, etc.

Paris Commodities

March 16

Table listing Paris Commodities prices for items like Sugar, Cocoa, etc.

London Commodities

March 16

Table listing London Commodities prices for items like Sugar, Cocoa, etc.

S&P 100 Index Options

March 15

Table listing S&P 100 Index Options for various strike prices.

Food

March 16

Table listing Food commodity prices for items like Coffee, Cocoa, etc.

Metals

March 16

Table listing Metals commodity prices for items like Copper, Aluminum, etc.

Financial

March 16

Table listing Financial market data including US Treasury Bills, etc.

Stock Indexes

(Index compiled shortly before market close)

Table listing Stock Indexes for various markets like SP Comp, NYSE Comp, etc.

Commodity Indexes

March 16

Table listing Commodity Indexes for various commodity groups.

Market Guide

Source: UPI

Table listing Market Guide information for various markets and indices.

Dividends

March 16

Table listing Dividends for various companies.

Spot Commodities

March 16

Table listing Spot Commodities prices for various items.

U.S. Treasuries

March 16

Table listing U.S. Treasuries for various maturities.

DM Futures Options

March 16

Table listing DM Futures Options for various currencies.

London Metals

March 16

Table listing London Metals prices for various metals.

Mon days

in the Trib.

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JAPANESE

BUSINESS ROUNDUP

United Biscuits Bids For Hanson Food Unit

LONDON — United Biscuits (Holdings) PLC said Wednesday it had conditionally agreed to acquire the frozen food maker Ross & Young from Hanson Trust PLC for £235 million (\$362 million) in cash. UB also announced a 17.4 percent rise in 1987 pretax profit to £147 million. Ross & Young formed a major part of the food division of Imperial Group PLC, which Hanson acquired for £2.55 billion after a bidding war with United Biscuits in 1986. Analysts, who earlier speculated that a Ross & Young takeover would cost £275 million to £300 million, said the acquisition would transform UB's existing frozen foods business into a major market force in Britain, just behind Unilever's Birds Eye Walls Ltd. subsidiary. Ross & Young's pretax profit in the year to September 1987 was £20.2 million on sales of £348 million, after trade discounts, Hanson said in a separate statement. It estimated the underlying asset value of the business at about £67 million as of September. UB's share price fell 5 pence (9 cents) to close at 256 pence on the London Stock Exchange, while Hanson's was unchanged at 137. Mike Murphy, an analyst with Warburg Securities, noted that Hanson already had sold off other parts of Imperial for about £1.7 billion. He said Hanson has retained Imperial's tobacco, HP sauce and Lea & Perrins sauce interests, which earn about £150 million. UB said its 17.4 percent rise in pretax profit from 1986 was helped by increased exports, particularly to Australia, as well as expanded licensing arrangements and manufacturing joint ventures. Sales edged up to £1.95 billion from £1.93 billion. UB said the current year had started well and that the prospects for all of 1988 were good. The company said it also was optimistic about the progress of talks in China on setting up manufacturing there. The Ross & Young purchase will be financed partly through the issue of convertible preference shares by a subsidiary to raise £110 million, UB said. The rest will be financed with proceeds of the planned sale of Specialty Brands Inc., a U.S. subsidiary, for about £100 million and by existing loan facilities of the UB group.

Jaguar's Profit Falls 20%

LONDON — Jaguar PLC, the British automaker, said Wednesday that its pretax profit dropped 20 percent to £97 million (\$178 million) last year as the dollar's sharp decline hurt sales of its luxury cars in the United States. Jaguar reported a £120.8 million profit in 1986. Revenue rose 20 percent last year, to £1 billion from £830.4 million, as sales climbed 19 percent to 49,200 cars. "It was a good year in difficult circumstances," Jaguar's chairman, Sir John Egan, said. He said that Jaguar still hoped to increase its sales volume to 56,000 cars in 1988. He said the dollar's drop last year cost Jaguar about £30 million. Jaguar's biggest market is the United States, where it sells more than half of its cars. To cope with the dollar's slide, Sir John said, Jaguar plans to buy more supplies from the United States. Jaguar also has negotiated contracts to hedge against fluctuations of the pound's rate against the dollar. Sir John said the company was fully hedged for 1988, and 50 percent hedged for 1989. On the London Stock Exchange, Jaguar shares fell 22 pence to 300 pence a share. Auto companies' shares were generally lower after the unveiling Tuesday of the new British budget, which doubled taxes on company-provided cars. About half of new cars sold in Britain are sold to companies who provide employees with transportation.

Leysen Said to Seek Générale Stock in Court

BRUSSELS — André Leysen, the chairman of Gevart NV, has taken court action to obtain 10 million shares whose ownership is disputed in the takeover battle for Société Générale de Belgique SA, Belgium's biggest company, financial sources said Wednesday. The Belgian executive is an ally of the Italian financier Carlo de Benedetti, who heads one of the two rival alliances fighting for Générale. Reached by telephone in Antwerp, Belgium, Mr. Leysen declined to comment. The sources said that Mr. Leysen, who claims to hold an option on the shares, had asked the court to order a former Générale subsidiary, Sodecom SA, to hand over the shares to Gevart, a Belgian holding company. Sodecom holds 12 million shares that were issued by Générale in January as a defense against a takeover bid by Mr. de Benedetti and his allies, who say they hold about 47 percent of Générale's old capital. Their stake would be diluted to 28.5 percent if the new shares are ruled legal and remain in the other camp. Sodecom is now 73 percent controlled by an alliance of French and Belgian companies that says it holds 50.7 percent of Générale's share capital. That stake would rise to about 65 percent if the 12 million new shares are included. Mr. de Benedetti has challenged the legality of the share issue. The sources said that Mr. Leysen has now cleared the way for seeking a temporary court injunction to freeze the voting rights of the French-Belgian group should it try to exercise the shares. In a letter to the court, Mr. Leysen said he was obliged to defend what he considered his rights but would prefer an agreement between both parties to take the shares out of circulation altogether.

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Sears Targets Western Auto

CHICAGO — Sears, Roebuck & Co. said Wednesday it had agreed to buy 52.3 percent of the shares of Western Auto Supply Co. and was seeking to buy the entire company. The full transaction would be valued at \$402 million, including \$152 million in Western debt Sears would assume. Sears' agreement to buy the stake from certain shareholders is subject to completion of a \$19-a-share tender offer for all of Western's stock. Sears said it reserved the right to abandon the offer if Western's board has not approved a merger by Friday. Western's stock jumped \$6.75 to \$18.75 in over-the-counter trading. Western Auto operates 278 parts and services outlets and 116 tire stores. Sears has 797 automotive centers.

Kuwait Bids for Ebro, Spanish Sugar Firm

MADRID — The Kuwait Investment Office made a takeover offer Wednesday for Spain's biggest sugar company, Ebro. Compania de Azucar y Alcoholes SA. Kuwait already has a 20 percent stake in Ebro. Its investment arm said it made the bid through the Catalan paper company Torres Hostench SA, in which Kuwait has a 45 percent holding. A spokesman for Torres said that under Spanish law, no details of the bid could be disclosed until it had been accepted by authorities at the Madrid stock exchange. Trading in Ebro shares was suspended on the exchange, which has 15 days to decide whether the takeover bid is acceptable. Ebro shares were last quoted at 3,800 pesetas on Monday. Under Spanish law, companies are obliged to launch a tender offer if they build up a stake of more than 24.9 percent in another company. Ebro controls 32 percent of the Spanish sugar market with an annual production of 320,000 tons. It has large stakes in two other Spanish sugar companies, 50 percent in Azucarera Ciudad Real SA and 33 percent in Azucarera del Carpio SA.

Fairfax Selling Reuters Stake to Murdoch

SYDNEY — Australia's Trade Practices Commission said Wednesday it would investigate whether Rupert Murdoch's News Corp. would be allowed to acquire a 13.89 percent stake in Reuters Holdings PLC that is being sold by another media group. John Fairfax Ltd. said it had sold its 44.65 percent interest in AAP Information Services Pty, an Australian supplier of news services. Fairfax also said it had sold its 50 percent stake in Australian Newspapers Mills Holdings, the country's leading newspaper maker, to the paper group Fletcher Challenge Ltd. of New Zealand. The prices were not disclosed, but analysts valued the two transactions at 290 million Australian dollars (\$212 million) combined. Bell Group Ltd. said Tuesday it had sold its 11.6 percent interest in ANM and its 8.5 percent stake in AAP Pty for 63.9 million dollars. It did not disclose the buyers, but analysts believe News Corp. acquired the AAP shares and Fletcher the ANM stake. (Reuters, AP)

Koppers Rejects Bid From Britain's Beazer

PITTSBURGH — Koppers Co. recommended Wednesday that shareholders reject an unsolicited \$1.27 billion tender offer made March 3 by Beazer PLC, Shearson Lehman Hutton Holdings Inc. and NatWest Investment Bank Ltd. Koppers said it was considering a recapitalization plan involving a cash distribution to stockholders.

LUXFUND SOCIÉTÉ ANONYME D'INVESTISSEMENT Valeur nette d'inventaire au 14-03-88 US \$97.62

Hongkong Land Expected to Post Healthy '87 Profit Gain

HONG KONG — Hongkong Land Co. is expected to report a solid gain in net profit when it releases its 1987 results Friday, analysts say. The analysts predict that Hongkong Land will report net earnings of between 1 billion Hong Kong dollars (\$128 million) and 1.1 billion dollars (\$142 million), mainly derived from rental income and sale of some assets. That would represent an increase of roughly 10 to 20 percent from net profit of 920 million Hong Kong dollars in 1986. Analysts forecast a final dividend of more than 34 cents a share, against 27 cents a year earlier. Hongkong Land has been the subject of takeover bids and speculation. Its controlling shareholder, Jardine Strategic Holdings Ltd., owns only about 26 percent of its issued capital.

Hongkong Land has attracted the attention of several Hong Kong financiers who are believed to have built a combined 10 percent stake in the company. Most of that holding was acquired before the October stock market collapse. "As Jardine is unlikely to give up its control, any bid would boost up Land's price," one analyst said. Anthony Teoh of County NatWest estimated Hongkong Land's 1987 net profit at 1.03 billion dollars and its final dividend at about 34 cents per share. He said the company could expect additional income following the completion later this year of a major office development in Hong Kong's central business district. Judging from Hongkong Land's price-earnings ratio of more than 17, analysts said, it remains the most expensive property company in Hong Kong. They estimated the company's net asset value at between 8.25 dollars and 9.61 dollars a share. The company reported net asset value per share at 8.17 dollars at the end of 1986. Anthony Bellington of Warburg Securities said the shares, at a 16 percent to 18 percent discount to asset value, are overvalued when compared with those of competitors. Other development property companies shares sell at a discount of about 35 percent to asset value. Rents and land values in Hong Kong rose dramatically last year, and Hongkong Land, with its portfolio of 5.5 million square feet (500,000 square meters) in the central business district, was a major beneficiary. Some analysts said that Hongkong Land's assets could be revised upward because rents in the central business district rose 16 percent in the first nine months of 1987.

Framatome in Full Bid For Telemecanique

PARIS — Framatome, the French nuclear company, escalated the takeover battle for Telemecanique Electrique SA on Wednesday, making its first bid for all of the shares of the automation concern. Framatome's new bid is for 4,500 francs per share, the stockbrokers association said. Telemecanique's capital is 1.57 million shares, of which Schneider SA, the rival, hostile bidder, has 24.5 percent. Framatome had two previous offers for large stakes in Telemecanique. The latest offered 5,800 francs a share for 45 percent of the shares. In 1987, the Kuwait Investment Office also bought 15 percent of Spain's leading chemical group, Explosivos Rio Tinto SA. It later becoming the company's biggest shareholder. Kuwait's investment arm in a joint venture with Construcciones y Contratas, a Spanish construction company, also indirectly controls 12.25 percent of Spain's biggest private bank, Banco Central. (AFP, Reuters)

OIL: As Exploration Costs Decline, U.S. Companies Rush to Fill the Tank

(Continued from first finance page) expected oil prices to average about \$18 a barrel into the early 1990s. Like many other oil executives, Mr. Rawl expects prices to begin a steady climb as crude oil supplies become tighter. Exxon plans to spend \$6.5 billion on worldwide exploration this year, a \$1.2 billion increase from 1987. Most executives and analysts expect price volatility in the short term. Paul Motok, an analyst at Salomon Brothers, said he expected the price of West Texas Intermediate, the American benchmark crude, to exceed \$20 a barrel sometime in the second half of this year. The price of West Texas Intermediate was \$18.87 at the beginning of December and had fallen as low as \$15.45 early last week. In trading on the New York Mercantile Exchange, the price of West Texas Intermediate for April delivery closed at \$15.80 a barrel Tuesday, and rose 17 cents by midday Wednesday. On Monday, the price had slid 70 cents after the Saudi oil minister, Hisham Nazer, said he opposed any cut in production by the Organization of Oil Exporting Countries. The decline Monday reversed a brief recovery late last week on news reports that OPEC was studying a plan to reduce its oil production by 5 percent. The increases in U.S. exploration expenditures, analysts point out, are from a very low base. Total capital outlays, including those for exploration, peaked in 1981 at \$82.9 billion and declined almost 68 percent by 1987, according to Oil & Gas Journal figures. But the drop in the amount of exploration actually done has not been as severe as the fall-off in spending, because costs have declined. According to Donald K. McIvor, an Exxon senior vice president, drilling a well in the United States "costs 60 to 70 percent of what you would have done for it in the early 1980s." Such costs for designing and building offshore platforms and conducting seismic surveys also have declined, he said. This drop, analysts point out, means that some projects that were once uneconomical at \$28 a barrel at the beginning of 1986 may be feasible again if prices return to \$18 or \$20 a barrel. Companies often adjust their spending plans, even for long-term projects, because of changes in market conditions. Even so, a survey by Salomon Brothers in January found that "a majority of companies indicated that a drop to \$15 a barrel early in 1988 would have little effect on the expenditures, provided the price recovers by mid-year." Despite their increased spending at home, oil executives are pessimistic that they can reverse the sliding production of crude oil in the United States. Output fell 4.5 percent last year, to the lowest level in a decade, according to the American Petroleum Institute. The U.S. Geological Survey, an agency of the Interior Department, recently cut its estimate of the amount of oil and gas remaining to be discovered in the United States by 40 percent. While the oil industry questioned the accuracy of the Geological Survey's estimate, industry executives have grown increasingly pessimistic about the chances of finding new reserves. Meanwhile, experts note that although OPEC's share of all oil exports has plunged, to less than 50 percent today from 74.1 percent in 1974, its share of world reserves has not declined. "Some time in the 1990s, almost all the world's spare capacity will lie in a very few countries, and then the price will rise," said Mr. McIvor of Exxon. OPEC members have the capacity to produce between 27 million and 28 million barrels a day, according to Daniel Yergin, president of Cambridge Energy Research Associates. Currently the world market is having trouble absorbing OPEC's production of 17 million to 18 million barrels a day. But aside from OPEC's 10 million barrels a day of surplus capacity, there is only a half million barrels a day of surplus capacity in the world, Mr. Yergin said. However, Mr. Yergin questions when OPEC's power to dictate prices will return. "Demand is going up, but so is the non-OPEC supply," he said.

INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 16th March 1988

Table with multiple columns listing various international funds, their assets, and performance metrics. Includes sections for AL-MAL GROUP, DREXEL BURNHAM LAMBERT INC, and various regional and thematic funds.

LOW COST FLIGHTS ACCESS VOYAGES New York One Way Round Trip \$1000 \$1500 San Francisco \$1100 \$1600 Los Angeles \$1200 \$1700 Atlanta \$1300 \$1800 Dallas \$1400 \$1900 Chicago \$1500 \$2000 Denver \$1600 \$2100 Honolulu \$1700 \$2200 London \$1800 \$2300 Mexico \$1900 \$2400

INTERNATIONAL CLASSIFIED (Continued from Back Page) COUNCIL TRAVEL U.S. DIVORCE IN 15 DAYS LEGAL SERVICES AUTOS TAX FREE TRASCOS ANTIQUES EDUCATION HOTELS

Mo'lays Williams & Morrow

CURRENCY MARKETS

Dollar and Pound Advance in N.Y.

NEW YORK — The dollar rose against most major currencies yesterday amid news that the White House was considering sending U.S. troops to Honduras...

London Dollar Rates

Table with columns: Currency, Unit, Rate. Includes Deutsche mark, Swiss franc, French franc.

Dealers said that the median market forecast for the deficit was \$13.2 billion, higher than December's \$12.2 billion but similar to the November figure of \$13.2 billion.

France Trims Budget Gap

PARIS — The French budget deficit shrank in 1987 to 120 billion francs (about \$21.2 billion), a figure that was about 10 billion francs less than expected...

The government had projected a shortfall of 129.3 billion francs after a 141 billion franc deficit in 1986. It was the first time in several years that the budget deficit was less than expected.

Temporary Jobs Skew U.S. Figures

In Crunch, Millions of U.S. Jobs Could Vanish Overnight

By Louis Uchitelle
NEW YORK — One of the hallmarks of the current economic recovery, now in its sixth year, has been the creation of 10 million jobs...

But experts say a significant number are showing up on factory assembly lines. Companies also are using temporary workers for such relatively well-paid jobs as engineer, designer, accountant and marketing specialist.

Some experts hail the proliferation of full-time temporary workers as a blessing for both employers and workers.

Lawson Says Currency Policy Is Unaltered but Gives No Details

By Reginald Dale



Nigel Lawson

generating his commitment to stable exchange rates, the British handover of the exchequer, Nigel Lawson, insisted Wednesday that there had been no change in government policy despite the recent sharp rise in the value of the pound.

On Wednesday, the pound eased in London to \$1.8470, down from \$1.8560 Tuesday, and 3.0825 Deutsche marks, down from 3.0883, in a further response to reports Tuesday that the Bank of England had moved to stop its rise above 3.09 DM.

Mr. Lawson said that the chancellor of the exchequer had "not really re-established his authority" over monetary policy, after yielding to Mrs. Thatcher on the exchange rate.

Mr. Brown said that the pound was unlikely to climb much higher than 3.10 DM, at which point there would be a lot of profit-taking and international investors would lose enthusiasm for sterling.

London's Financial Times-Stock Exchange index of 100 leading stocks finished 14.2 points lower Wednesday at 1,825.7, as investors worried that the benefits of the lower income tax rates announced in the budget might be offset by a rise in the pound.

Wednesday's OTC Prices
MASDAQ prices as of 4 p.m. New York time.
This list contains the AP, consists of the 1,000 most traded securities in terms of dollar value.

Table of OTC prices for various stocks including A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table of 12 Month High/Low/Stock/Div. Yld. %/Selling Price/High/Low/4 P.M. CHG/Net CHG.

Table of 12 Month High/Low/Stock/Div. Yld. %/Selling Price/High/Low/4 P.M. CHG/Net CHG.

As a result, some economists warn that the unemployment rate could climb more quickly and steeply in the next recession than in previous downturns.

Nonpermanent employees are paid less and receive fewer benefits. They can be laid off at a moment's notice.

Part of the risk comes from the fact that many of these small employers perform work for large companies that the large companies once performed themselves.

Mr. Young of Lloyds, however, predicted that the focus of attention would quickly move from the differences between Mrs. Thatcher and Mr. Lawson on the exchange rate to the much sharper political differences between the government and the opposition Labour Party on the major tax changes contained in the budget.

Many of the full-time temporary employees are clerical workers or are in low-level jobs in health care, computer operations and other such fields.

Small companies, those with fewer than 100 or 200 employees, are also common in government. The federal government employs about 300,000 of them, only some of them full-time.

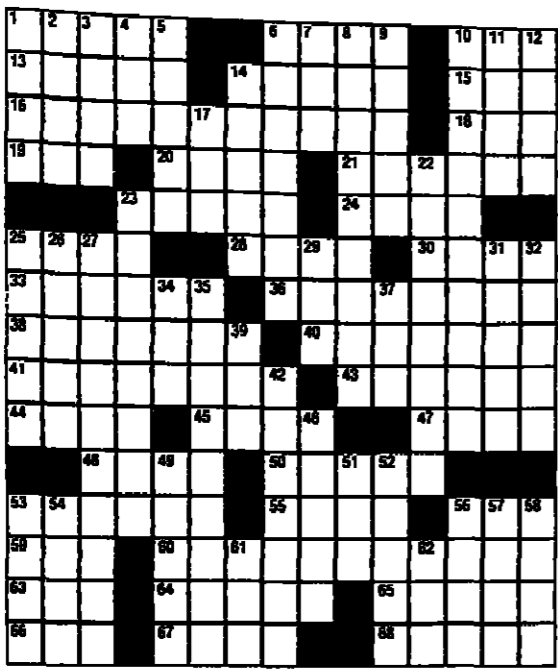
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FUTURES AND OPTIONS IN THE FUTURE EVERY TUESDAY. UP-TO-DATE ANALYSIS OF TRENDS IN THE COMMODITIES AND FUTURES MARKETS - WORLDWIDE



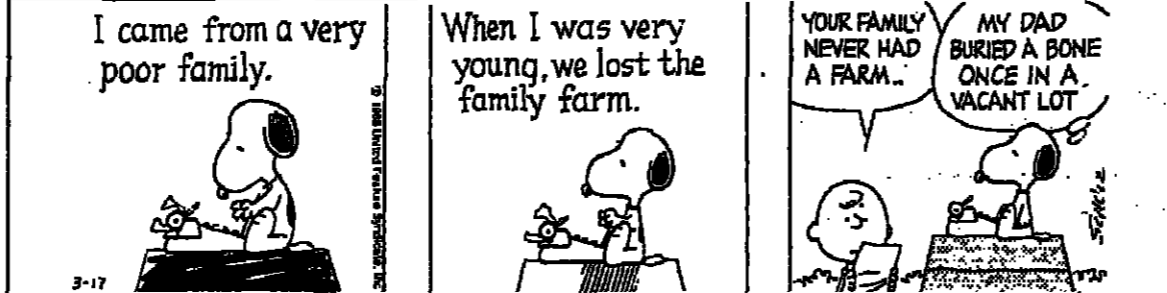
ACROSS
 1 Of the Vatican
 6 Every sock has one
 10 Toby, e.g.
 13 Sky blue
 14 French
 15 Revolution
 16 "Lust for Life" star, Irish style
 18 Over there
 19 She raised
 20 Actress
 21 Poe's lost maiden
 23 Poet Thomas
 24 Shak's era
 25 Cod's cousin
 28 Slangy dissent
 30 N.J. five
 33 Western, e.g.
 34 Bedded down snugly
 38 "Queen" former TV show
 40 Opening book division
 41 Sends on, as a letter
 43 Actress Louise
 44 Novelist Seton
 45 Nick and Nora's dog
 47 Zounds!
 48 - Spee
 50 Leaves off

DOWN
 1 Walk the floor
 2 Black Sea arm
 3 Chase
 4 Noah's floating zoo
 5 - the nose (dominated)
 6 France's W.W. II line
 7 Feel poorly
 8 Clanging vehicle, Irish style
 9 Atelier item
 10 China's Long March leader, Irish style
 11 Caesar's wife
 12 Dancer Kelly
 14 Kind of heel

17 Troubled waters' south
22 Guy
23 Du Pont's state
25 Missing unit
26 O'Neill's
27 "Houseboat" star, Irish style
29 Seal's baby
31 - barba
32 Bergen's (barber's) icht
33 Mortimer
34 Author LeShan
35 Solid ground, Irish style
37 Croo monkey
39 Football gains: Abbr.
42 Kind of battery
46 Friend, to Pablo
49 With full force
51 - am of "Irlonde"
52 Pola's rival
53 Stun
54 Place for a roast
56 Chief god of the Aztec
57 Skirt insert
58 Carneio stone
60 Tourist's aid
62 Duryea or Dalley

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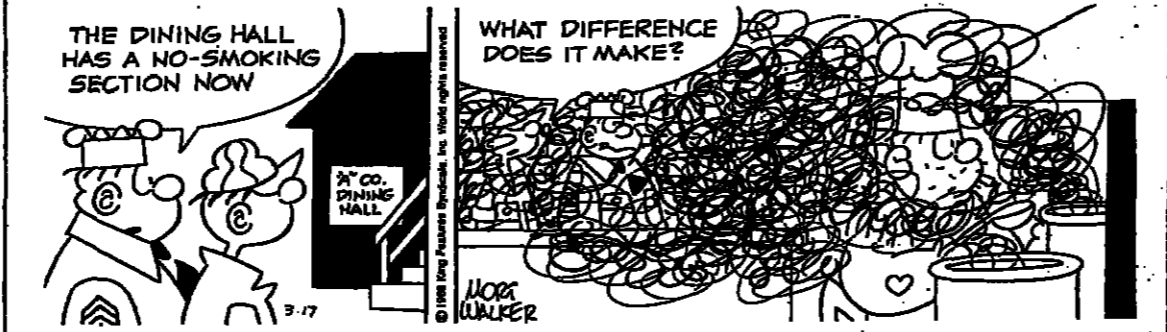
PEANUTS



BLONDIE



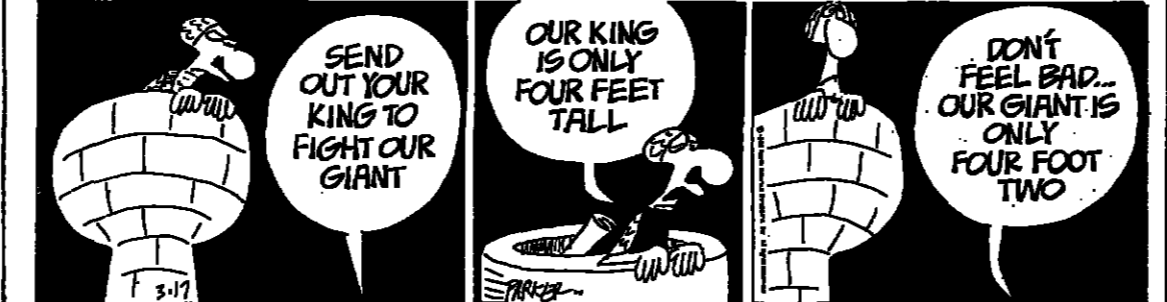
BEETLE BAILEY



ANDY CAPP



WIZARD of ID



REX MORGAN



GARFIELD



BOOKS

S.
 By John Updike. 279 pages. \$17.95. Alfred A. Knopf, 201 East 50th Street, New York, N.Y. 10022.

Reviewed by Christopher Lehmann-Haupt

READING John Updike's previous novel, "Roger's Version," many readers missed the somewhat cryptic references to Nathaniel Hawthorne's "Scarlet Letter," though it remains debatable whether the failure made much difference to one's appreciation of that rather crabbled, ill-tempered work.

In Updike's latest novel, however, no one will miss the references. There is the title, "S," echoing the "A" for "Adultery" of Hawthorne's novel, and standing variously for Sarah, the protagonist of the story, and "seductress," and *sanyasin*, or pilgrim in Sanskrit, and who knows what else.

There is Sarah's husband, a doctor named Charles Worth (instead of Roger Chillingworth), and her daughter, like Hester Prynne's named Pearl.

Yet what purpose these references serve is not so clear. Unlike "Roger's Version," and certainly unlike "The Scarlet Letter," "S" is a comedy. Its form is epistolary — the text consisting entirely of Sarah Worth's letters and tape recordings — a technique that is hard to imagine these days as anything but comic, with its delayed-action revelations and its one-sided view of things.

Of my darling dearest Pearl, my only child — How could you do so many vile things to your mother at once? Certainly the story these letters and tapes unfolds is an amusing, nearly farcical one. As the novel opens, Sarah Worth is on a plane to California, having finally grown fed up with her suffocating upper-middle-class marriage to a Boston doctor who is unfaithful to her, and having made up her mind to join an ashram in Arizona led by a guru she has discovered through her rumpus-room yoga group.

Solution to Previous Puzzle

TAB	DIAL	YEATS
ALOE	ERNE	ALLOY
CARRAGEEN	NYLON	
TINTERN	ARGONNE	
OGEE	ATTA	
AMALIE	JAZZ	TAO
RENTS	PARO	URN
RATS	CAPER	URIS
ADE	VIDAS	PRASE
SEC	ADEN	SUBLET
ESTE	ALVA	
INSPIRE	RUINATE	
ROSAS	CLASSICAL	
IRONS	COBB	ZETA
SENCE	EASY	EDEN

Upon arriving at the ashram, she signed first to having arthritis and then operating a backhoe, at which she grew adept that "some of the guys would let scratch their backs with it as a joke." But as bookkeeping and administrative skills ease she assumes the name Kundalini, for a serpent of female energy dormant at the base of the spinal column, and works her way being right-hand woman to Sri Arhat Mahadali, M.A., Ph.D., Supreme Mediator, Ash Arhat.

The unfolding of Sarah's character is in de force. Updike is dazzling in his manner, an intelligent, witty, articulate woman with plenty possible storehouse of gripes and riffs in the persona of Sarah, exploding as of her past and personality that go far beyond the practical demands of the plot.

On the religious of India he is less satisfied. Naturally, he has mastered the lingo and rituals, or so it seems to the uninitiated. Yet one suspects from the start that except for its sexual love, Oriental theology may have little interest for someone of Updike's usually Calvinist disposition. That seems confirmed by the way he has thrown his scraps from Hinduism, Buddhism, Vedism, Jainism and Vedantism. In any case, let us be any question of disrespect for the masters of faiths that are invoked in the novel. Updike ends up pulling the rug out from under us, so the entire religious dimension turns up to have been a joke to begin with.

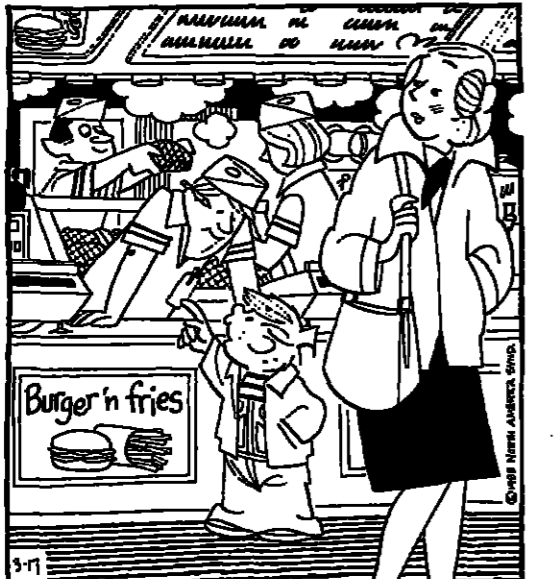
This leaves Sarah Worth high and dry at the end, though not without her considerable sources. But the more we consider her, more we must have our doubts. It's true, she's smart, sexy, shrewd and sensitive — short, the S of the title could stand for *Sagacious* woman as well. But she also has her less than noble moments. At times she's a busybody, a bubblehead. She alternately uses people's gets used.

Who or what is responsible for this mix? It seems only fair to recall that "S" is sequoia to "Roger's Version," and to attach these views of womanhood to Roger Labat the protagonist of that novel, and by extent to his earlier avatar, Roger Chillingworth — "The Scarlet Letter." What occurs in "S" is the various Rogers' version of what we interpret if Hester Prynne were to be loosed the world today.

The trouble is, considering the way Sarah Worth and the author merge, the "voice" of book sounds more like Updike than it does either of the two Rogers. As a result, she leaves one uneasy. Despite its carefully structured frame and its high-spirited humor, ends up impressing one most of all as an ambivalent view of women coming thru from the author's heart.

Christopher Lehmann-Haupt is on the staff of The New York Times.

DENNIS THE MENACE



JUMBLE

Unscramble these four jumbles, one letter to each square, to form four ordinary words.

ENNIL
LEDY
KLUSCE
DENGER

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: **THE**

WEATHER

EUROPE	HIGH	LOW	ASIA	HIGH	LOW
Algeria	6	5	Beijing	6	4
Austria	7	4	Bangkok	8	4
Berlin	16	6	Hong Kong	14	10
Bombay	26	16	Manila	26	16
Buenos Aires	20	14	New Delhi	30	16
Calcutta	26	16	Osaka	18	14
Chicago	20	14	Shanghai	4	0
London	12	8	Singapore	27	17
Madrid	18	14	Tokyo	21	17
Moscow	12	8			
New York	12	8			
Paris	12	8			
Prague	7	3			
Rome	18	14			
Stockholm	11	7			
Washington	11	7			
Zurich	11	7			

AFRICA	HIGH	LOW
Algeria	7	3
Algeria	7	3
Algeria	7	3
Algeria	7	3

LATIN AMERICA	HIGH	LOW
Buenos Aires	26	16
Caracas	26	16
Caracas	26	16
Caracas	26	16

NORTH AMERICA	HIGH	LOW
Anchorage	0	2
Albany	11	7
Albany	11	7
Albany	11	7

MIDDLE EAST	HIGH	LOW
Amman	12	8
Amman	12	8
Amman	12	8

OCEANIA	HIGH	LOW
Auckland	22	18
Auckland	22	18
Auckland	22	18

World Stock Markets

Via Agence France Press Closing prices in local currencies, March 16

Amsterdam	Class Prev.	Amsterdam	Class Prev.
ABN Bank	41.10	Deutsche Bank	237.20
ACP Holdings	49.30	Deutsche Bank	237.20
Adia	78.00	Deutsche Bank	237.20
Ahold	14.00	Deutsche Bank	237.20
Alkermid	14.00	Deutsche Bank	237.20
AMEV	53.50	Deutsche Bank	237.20
Axon Rubber	14.00	Deutsche Bank	237.20
Bank Paribas	45.60	Deutsche Bank	237.20
Bank Paribas	45.60	Deutsche Bank	237.20
Bank Paribas	45.60	Deutsche Bank	237.20

London	Class Prev.	London	Class Prev.
AA Corp S	199	British	210
AA Corp S	199	British	210
AA Corp S	199	British	210
AA Corp S	199	British	210

BRIDGE

By Alan Truscott

ONE of the principal challenges of bridge is to find the best contract for you and your partner without being able to see the other hands. The challenge would be trivial if you could see all 52 cards. Thus, on a deal like this one, you can always see all the cards, although some make a disciplined attempt to fold the newspaper in order to conceal the East-West cards. Test yourself on the diagrammed deal reported by Ib Lundby of Denmark. What contract would you choose to play as South assuming a heart lead? Or if West can lead whatever he wants?

Without seeing the East-West hands one would choose to play six clubs. Seeing them, one should still choose to play six clubs with an opening heart lead. Win in dummy and lead a club to the king. Ruff a heart, cross to the spade king, ruff another heart and cash the diamond ace. Return to the closed hand with a spade lead, throw dummy's spades on diamond winners and ruff a diamond with the club jack. East must surrender.

This works just as well if the lead is a diamond, but a spade lead beats six clubs. South loses a key entry to his hand prematurely. Three no-trump is difficult, but can be made with any lead. The spade dance in the North hand is the key card.

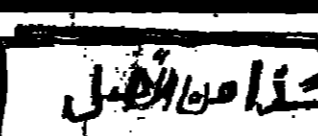
A heart lead is as good as anything for the defense. Win in dummy and take two spade winners followed by the diamond ace. Play the spade queen followed by the deuce, throwing clubs. West must win and put South back in his hand to make an overtrick.

Notice that the contract would fail if West held the

BOARD

NORTH	WEST	EAST	SOUTH
439642	439642	439642	439642
439642	439642	439642	439642
439642	439642	439642	439642

Zurich	Class Prev.	Zurich	Class Prev.
Adia	78.00	Deutsche Bank	237.20
Adia	78.00	Deutsche Bank	237.20
Adia	78.00	Deutsche Bank	237.20



SPORTS

With Season in the Balance, 64 Shoot for Final Four

Washington Post Service

WASHINGTON — It's March, and it's time to get serious. We're talking about the 19 days that matter most each year, and none of them is Super Tuesday. This is the NCAA basketball tournament, and all over America, office pools are being poured over even as we speak. You want an expert opinion? The pick here to win last year was Purdue, a team that got blown out in the second round.

That said, there are 64 teams in the field, but no more than 10 have a chance to be national champion. That's the logic — the same logic that said North Carolina State in 1983 and Villanova in 1985 had no chance.

One team that should reach the Final Four is Oklahoma. The Sooners have been dominant all season, blowing away good teams and bad and easily winning a strong Big Eight, both regular-season and in the conference tournament. They have balance, depth, quickness and strength. Billy Tybbs has done a terrific coaching job.

So forget the Sooners. They won't be in Kansas City. Somewhere, they will self-destruct, although it won't be this week. Someone with good smart guards will handle their press, slow the game down enough to keep it close and find a way to win. It might even be Auburn in the second round, but probably not. It could be Kentucky in the Southeast regional final or it might even be Brigham Young. Anyone might come out of this regional.

Illinois might probably won't, even though it's playing well right now; Brigham Young might. Louisville won't, not unless Milt Wagner gets a sixth year of eligibility. Maryland can certainly beat California-Santa Barbara in the first

VANTAGE POINT/John Feinstein

round, but isn't likely to go much farther. The pick here in the Southeast is a real darkhorse, maybe Villanova. The Wildcats are the sixth seed. In 1985, they were the eighth seed in the same regional and opened in Dayton, Ohio, before going to

No more than 10 teams have a chance to be national champion. That's the logic — the same logic that said North Carolina State in 1983 and Villanova in 1985 had no chance.

Birmingham, Alabama. This year they open in Cincinnati, against Arkansas; if they advance, it's back to Birmingham. Occasionally, you go with omelets before you go with logic at this time of year. Arkansas could beat Villanova, but the Wildcats should survive that game, upping Illinois, and then — who knows? Coach Rollie Massimino never has had a team seeded this high in 10 NCAA tournaments appearances. And yet, in addition to his national title, he has reached three final eight. That's a pretty good tournament record.

Moving west, Arizona is the top seed. The Wildcats are 31-2, but have been on cruise control since January because they

play in the unbelievably pathetic-10. That schedule could make Arizona vulnerable in the second round, when it will play a tough team — either Seton Hall or Texas-El Paso. That's a dangerous game, but Arizona should survive. If it does, it should reach the Final Four, although a lot of people will pick North Carolina.

Not so, it says here. The Tar Heels could have trouble with Wyoming if Fennis Dembo & Co. don't get run into oblivion by Loyola Marymount, which averaged 110 points a game and could play with a six-second shot clock and never have a violation. The Lions have won 20 in a row, but the tournament committee looked at their schedule and made them a No. 10 seed. With something to prove, they'll be dangerous.

Either way, North Carolina will struggle in the second round. But it should win and make the regional final against Arizona. But that will be all. Dean Smith has done one of his best coaching jobs this season. His team is vulnerable defensively, doesn't always play together and can be downright dreadful at times. And yet it's 24-6, and nearly won the Atlantic Coast Conference regular-season and tournament titles.

Smith will coach the Tar Heels to the final eight, lose and probably get criticized again for not making the Final Four. He deserves better. But look for Arizona to come out of the West.

The East may be the most intriguing regional. Although Temple is the deserved top seed in the regional and the tournament, the Owls might be the most vulnerable No. 1 seed out there. They have passed

every test this season, but have yet to get into the kind of wearing, battle-of-attrition game that often occurs this time of year. There will be more diverse opinions about this regional than any other: Temple just isn't deep; No. 2 Duke often has trou-

ble scoring; No. 3 Syracuse is a Jekyll-Hyde and No. 4 Indiana, which closed with a rush, is everybody's dark horse.

Another team to watch is sixth-seeded Missouri, which might have as much talent as anyone in the field and could give Syracuse fits in the second round. If Missouri does beat Syracuse, it may well win the regional.

If form holds the first weekend, Temple is the pick, albeit a shaky one. The Owls should get a test from Georgetown in the second round, but the Hoyas probably don't have enough offense to upset them, although they should beat LSU on Friday. The Midwest should be the most predictable of the regions. Purdue is a legitimate

solid favorite, with senior guards in Everette Stephens and Troy Lewis, a terrific inside player in Todd Mitchell and experienced role players. There is also no real out-of-nowhere possibility. Xavier can upset Kansas and might even beat North Carolina State, but it can't win the regional.

The same holds true for Kansas, which can win a couple of games, but not four. Kansas State, with the brilliant Mitch Richmond, has at least an outside shot. Pittsburgh has the talent, but perhaps not enough tournament experience.

The team with the best chance to knock off Purdue — and the ACC team with the best chance to be in Kansas City — is North Carolina State. Not because of all that pap about Jim Valvano being a great tournament coach. He's just a good coach with four guards who can play and two big men who can score.

Valvano thinks this may be his best team. If the Wolfpack can cover from the disappointment of losing in the ACC semifinals to Duke and get by this weekend — it may have to end a five-game losing streak against Kansas in the second round to do so — it has the best shot to upset Purdue. But the Boilermakers are still the best bet.

So, if you're filling out your pool and want to be different, take Missouri, Villanova, N.C. State and Michigan. If you want to be safe, take the top seeds, because each of the four has clearly earned that ranking. If you are looking for a couple of solid underdogs, check out Indiana, Kansas State and maybe even Seton Hall.

Final Four picks? Indiana, Villanova, Purdue and Arizona. The winner? Why not be consistent: Purdue — maybe.



Guards Jay Edwards of Indiana, right, and Everette Stephens of Purdue hooked up more than once in a Big 10 contest last month — and may well meet again in the semifinals of the NCAA tourney.

New Sweden-Team America: Celebration on Ice

New York Times Service

NEW YORK — It was 350 years ago this month that the first Swedish settlers to arrive in the New World sailed up the Delaware River and established the colony of New Sweden at what is now Wilmington, Delaware.

So it should come as no surprise that various Swedish and Swedish-American interests are planning an array of celebrations in Delaware and in southern New Jersey, which the settlers colonized a few years later.

But why, then, should a Swedish businessman be helping to commemorate the historic landing on what was then known as the South River by staging a hockey game just a few blocks from the old North River — more

than 100 miles (160 kilometers) away?

Because that's where Madison Square Garden is, for one thing. And because Bo Hakansson doesn't always do things by logical prescription.

While other businessmen slip away from the office for an occasional round of golf, Hakansson, the president of Active Inc., a venture capital holding company, closes his office in Malmo, Sweden, every Thursday afternoon so he and his staff can play hockey, a game that Hakansson, 41, took up just four years ago.

That, it turns out, is what they will be doing at Madison Square Garden on Sunday when Hakansson's New Sweden team takes on a Team America part-

erson, as technical adviser — will include the likes of Bob Hull, Phil Esposito, Rod Gilbert, John Davidson and Ed Giacomin.

That should assure a sellout, but Hakansson is taking no chances.

Tickets are free. They can be ordered by calling (area code 212) 319-7770.

All this might seem like a lot of fuss over a 17th-century colony that lasted 17 years (the Dutch took over in 1655).

Budd Quits U.K. Team

Compiled by Our Staff From Dispatches

LONDON — In a move that headed off a clash between British track officials and the sport's world governing body, South African-born runner Zola Budd on Wednesday withdrew from the British team for next week's world cross-country championships in New Zealand.

Budd, the two-time winner of the event who obtained a British passport four years ago, said she was putting "my country first and my teammates first." She added that she made her decision "with sadness and regret."

Allegations surfaced recently that Budd, 21, had competed in South Africa last year while visiting her family. South African athletes, and those who compete in the racially divided country, are barred from international amateur competitions.

Dodgers Reach Out for Help

By Thomas Boswell

Washington Post Service

MIAMI — "Kirk, I'd like you to meet Larry King," said Los Angeles Dodger Manager Tommy Lasorda, introducing his \$1.5 million left fielder, Kirk Gibson, to radio's Mr. Midnight.

"Humph," muttered Gibson, in his best territorial imperative grunt.

"Hello, Larry," enunciated Lasorda, slowly, precisely, as if prompting a sulky child.

"Hello, Larry," echoed Gibson, proving simultaneously that miracles do happen and Detroit Tigers can change their stripes. By midseason, Lasorda may have Gibson ready for Cavanaugh Squares.

He may also have Alfredo Griffin at shortstop, Mike Griffin in right field, Jay Howell and Jesse Orosco as his bullpen. Rick Dempsey catching, John Shelby in center field and Don Sutton in his starting rotation.

Say hello to the 1988 Los Angeles Dodgers, otherwise known as the 1978 California Angels. Is it a ball club or an alumni association? If this team were introduced on opening day in generic gray uniforms, nobody could guess

what city it represented. Brad Havens and Tito Landrum, you would travelers, step right up.

Once upon a time, to be a Dodger you had to spend five years at Vero Beach, San Antonio and Albuquerque, learning how to create your uniform perfectly and hit behind the runner. Then they made you bleed Dodger blue. No organization was so proud — if it weren't for all those pennants, the word vain would come to mind — of its complete independence from outside help. The Dodger way would suffice.

Now they'll take anybody. They've got you have a \$900,000-a-year salary and home chips in your elbow or a wine named after you at the Mayo Clinic. Davis wrecked his knee kicking a dug-out-area wall last year. Howell is coming off arm surgery. Gibson once had four disabling injuries in one year. Sutton was throwing curveballs when the Dodgers were still in Brooklyn.

Lasorda's six new Dodgers, all of them over 30 except Davis, will earn about \$5.5 million this season, bringing the payroll to \$17 million. Los Angeles tried to sign Gary Gattis and Dave Righetti, too, but they're both young and healthy, so naturally their old teams re-signed them. When you're desperate, what do you do? Orosco after he goes 3-9. The lefty's first news story after as a Dodger? Putting eye-black around the inside of Gibson's hat brim, sending the \$1.5 million star into a snit.

So how'd the air-clearing team meeting go? "Oh, real fine," said Steve Sax. "Jesse just walked up to Kirk with a gun in his hand and admitted, 'I did it.'"

Somewhere, Don Stanhouse is laughing. Back in 1980, the Dodgers swore on a stack of season tickets they'd never do this again. Never pay millions for flaky free agents before kicking all the tires. Never gamble on other team's suspecting stars.

Now, this is how you become a Dodger. You sit in General Manager Fred Cline's office on a Friday afternoon and refuse to go away. You wait until they turn off all the lights in the lobby. You sit in the dark. Then, when Cline finally decides to look up the joint and call it a week, you jump out of the shadows and beg for a job.

That's how Dempsey did it. And now he looks like the back-

up catcher. Sleep tight, Branch Rickey.

The best thing that can be said about the Dodgers is that they have swallowed their pride; the worst thing is that it's about time. Too many Franklin Stubbs strikeouts and too many Mariano Duncan errors have finally convinced the richest sports franchise in history that an economy diet of farm-system products is not the solution to all ills.

When you lose 89 games once, you might be unlucky. When you do it back-to-back, you're bad. If the Dodgers are losers again this year, it'll be the first time the franchise has had three straight losing seasons since before World War II.

Many believe the Dodgers are the most radically transformed and spectacularly improved team in baseball. Others note that four Baltimore castoffs (Shelby, Dempsey, Havens and Landrum) have a chance to make the team.

In a sense, these Dodgers are a test case of Lasorda's Pygmalion theory of human personality: See what a person can become and he will become it. See what he already is and he'll stay that way.

To cynics, Sutton is a museum piece. Orosco had no place in the New York Mets' plans. Howell, a two-time all-star, has had big-time arm problems two years in a row. Griffin has an awful on-base percentage and no power. Per abate, Davis is only pretty good. Gibson will be bitten by his dog or run into a wall — whatever it takes to miss 30 or 40 games.

But the man who the Dodgers get — "The thread that runs through the players we have great attitudes," said Cline.

He isn't entirely blowing Dodger smoke. Griffin would play with his leg in a cast. Sutton could teach Burtleigh Grimes tricks. Gibson is hardball. Orosco and Howell were no-flyer not long ago. Davis averages 20 homers, 20 steals and 75 runs batted in.

"We will be good," vowed Gibson.

"It will be a long way back," said Cline.

SCOREBOARD

Basketball

U.S. College Leaders

Table with columns for TEAM OFFENSE, TEAM DEFENSE, and INDIVIDUAL. Lists college basketball teams and their statistics.

National Basketball Association Standings

Table showing NBA standings for Eastern Conference (Atlantic and Central Divisions) and Western Conference (Midwest and Pacific Divisions).

Hockey

NHL Standings

Table showing NHL standings for Wales Conference (Patrick and Adams Divisions) and Campbell Conference (Norris Division).

Angels' Mauch Released Following Medical Tests

The Associated Press

SCOTTSDALE, Arizona — Manager Gene Mauch, who left the California Angels last week to undergo medical tests, has been diagnosed as having a case of "mild bronchitis," the club announced late Tuesday after he was released from a California hospital.

PGA Leaders

Table showing PGA earnings and scores for various players.

Golf

PGA Leaders

Table showing PGA earnings and scores for various players.

Preseason Baseball

American League

Table showing American League preseason statistics.

European Soccer

Cup Winners' Cup

Table showing European soccer cup winners' cup results.

Transition

Baseball

Table showing baseball transition statistics.

Escorts & Guides

Large advertisement for International Classified, featuring various travel and escort services with contact information.

Advertisement for various services including travel, guides, and escorts.

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Pages 16 & 11 FOR MORE CLASSIFIEDS

ART BUCHWALD

Cancel the Post Office

WASHINGTON — I went down to the post office the other day and it was locked tight. "It's closed until the Fourth of July," a man who had been sleeping on the sidewalk said.



Buchwald

"No," he said, "I'm just waiting to pick up a parcel post package of cookies my mother sent me for Christmas. It's easier to sack out here than go home every night."

letter on its appointed rounds through dark of night. "So what stamp should I put on the envelope?"

"That's for each person to decide for himself — but be generous. Remember, no one in the post office is there for the money."

The Chieftains on the Road

By Richard Harrington

WASHINGTON — While Dublin, the jewel of Ireland, is celebrating its millennium, The Chieftains, the jewel of Irish traditional music, are celebrating their silver anniversary with a worldwide tour that includes concerts Thursday and Saturday at the Kennedy Center with the National Symphony Orchestra.



Paddy Moloney, chief of The Chieftains.

And if Paddy Moloney has anything to say about it, that leaves only 975 years to go before the next big bash. "Well, we got to the 25 years, which was brilliant," says Moloney. The Chieftains' founder and guiding spirit.

Given The Chieftains' exhilarating meld of sprightly jigs and reels, elegant airs and haunting ballads, those pulses should be racing. "Well, I hope so," Moloney says. "That's what we came for."

When he's composing, Moloney says, he's "trying to tell a story through the music and the arrangements. Exciting things happen with different combinations of instruments — mixing the flute with fiddle chords, or pipes, fiddle and tinpan — and bang — you're off into another tantrum. All of the time there's experimenting with new ideas, new overtones, new sounds coming into your head. It all leads to something."

If anyone thinks The Chieftains are rigid in their attitudes, a look at the list of people with whom they have recorded (Mick Jagger, Paul McCartney, Art Garfunkel, Dan Fogelberg, Mike Oldfield) or jammed (Jerry Garcia, Eric Clapton, Jackson Browne) should put that notion to rest.

They've recently finished a single with Canada's rising rock group Glass Tiger, and Moloney chuckles when he talks about another collaboration with the Irish rock guitarist Gary Moore, a platinum seller in Europe. "Over the Hills and Far Away" was the single, the video for which, incidentally, they dressed me up in black leather. I looked like Napoleon gone wrong."

PEOPLE

Actors Seek Film Law

James Stewart and Burt Lancaster led a group that pleaded for the U.S. Congress to halt the "desecration" of their classic movies by such things as the coloring of black and white films. Lancaster played the fast-talking tough guy and Stewart his drawing partner during meetings with members of Congress and reporters regarding preservation of the original versions of Hollywood movies.

Andrey Hepburn is in Ethiopia on a three-day famine tour on behalf of the United Nations. Hepburn, a special ambassador to the United Nations traveling with Larry Brice, the president of UNICEF, arrived a day late because it was held up by an airline strike Rome.

Queen Elizabeth, Britain's richest person, will get a pay raise this year of £173,900 (about \$321,000) for a total salary of £1 million, the British government announced. In all, a total of £5,922,300 in public tax money goes to support the royal family's year.

Lord Hugh Rupert Courtenay solved some financial problems by the ransacking of his castle when Lord Victoria and Albert mess bought two antique bookcases from him for £455,000 (about \$840,000). The price was a record for English furniture sold in Britain and Courtenay will keep the one 12-foot (3.6 meters) tall bookcase as public as they are on show to the public in his library in Powdermill Castle in Devon, which Courtenay runs for his father, the 17th Earl Devon. Courtenay, 46, said he had needed more than £1 million to pay taxes, settle the overdraft that built up over the years, fund many improvements and set up a form of endowment fund that help maintain the castle. This solved many of his problems."

Lake Wobegon is turning out to be lucrative for Garrison Keillor to abandon it altogether. Keillor had a news conference in New York to say that he's planning a Second Annual Farewell Performance of his "A Prairie Home Companion" at Radio City Music Hall in June. "It was so much fun leaving that we're coming back say goodbye again," he said.

De Laurentis Firm Sells Many Film Rights

LOS ANGELES — The De Laurentis Entertainment Group Inc. said it has agreed to sell the foreign television, video and non-theatrical rights to virtually its entire 320-movie library for \$69 million. The foreign rights are being acquired by a newly formed United Kingdom company controlled by Michael W. Stevens. De Laurentis still is seeking a buyer for the remaining rights to his library and studio in North Carolina.

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